

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised March 25, 1999

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-025-36880
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B2229
7. Lease Name or Unit Agreement Name: MALMAR UNIT
8. Well No. 516
9. Pool name Maljamar (GB-SA)

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Mar Oil and Gas Corp.	
3. Address of Operator P.O. Box 5155 Santa Fe NM 87502	
4. Well Location  Lot No 4 1309 feet from the South line and 1320 feet from the West line  Section 7 Township 17S Range 33E NMPM County LEA	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4230 GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

MAR Oil & Gas Corp, Spud the well on 12/16/2004 @ 6pm & drilled 12 1/4" hole to 1315' ran new 8 5/8" 24# csg to depth of 1315' cmtd with 465 sks lead cmt and 200 sks tail cmt, circ 201 sks cmt to surface.  
Pressure test BOP 1000 psig, drilled 7 7/8" hole to 4700' ran new 5 1/2" X 15.50 # X J55 csg set @ 4693' DV tool @ 3163'  
Cemented to two stages: 1<sup>st</sup> stage pumped lead cmt of 75 sks 50/50 poz with tail cmt of 230 sks premium cmt, total of 305 sks cmt, open DV tool circ 47 sks cmt to surface, 2<sup>nd</sup> stage pumped lead cmt of 500 sks Halliburton lite with a tail cmt 270 sks Halliburton premium plus cmt, cmt top 700' from surface, 600' inside of 8 5/8 X 5 1/2" csg annulus

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Deu TITLE : VP Operations DATE :December 27, 2004

Type or print name Duane C Winkler Telephone No.505-989-1977  
(This space for State use)

APPROVED BY [Signature] TITLE DATE  
Conditions of approval, if any: JAN 8 2005  
PETROLEUM ENGINEER