Form 3160-5 (April 2004)

OCD-HOBBS UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

5. Lease Serial No. NMNM23006

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well Öil Well Other Gas Well 8. Well Name and No. LPC 31 Federal #1 2. Name of Operator Marbob Energy Corporation API Well No. 30-025-37440 3a. Address 3b. Phone No. (include area code) 505-748-3303 PO Box 227, Artesia, NM 88211-0227 10. Field and Pool, or Exploratory Area Lusk; Bone Spring, North 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1980 FNL 2280 FEL, Sec. 31-T18S-R32E, Unit G Lea Co., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Well Integrity Fracture Treat Reclamation Recomplete Casing Repair New Construction Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Convert to Injection Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) Marbob Energy Corporation proposes to perforate, acidize, test & possibly frac the following Bone Spring and/or Delaware zones: Plugback technique to be determined based on results of previous zone(s). 300 gal NE Fe 7 1/2% HCl Lwr 1st Bone Spring Sand 8414' - 8422' (18 shots) CIBP @ 8375'

1st Bone Spring Sand

8132' - 8332' (15 shots)

1000 gal NE Fe 7 1/2% HC

Plugback technique to be determined based on results of previous zone(s).

BS Silicic Shale

7233' - 7809' (20 shots)

3000 gal NE Fe 15% HCl

Delaware Sand

6610' - 6620' (22 shots)

750 gal NE Fe 7 1/2% HCI

SEE ATTACHED FOR CONDITIONS OF APPROVAL

	COIN	DITIONS OF THE TRO
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)		
Diana J. Brigg	Title Production Ana	lyst
Signature 1	Date	03/14/20 07 APPROVED
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by Mus Eller	Title	Date MAR 2 1 2007
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	Mulyasa WESLEY W. INGRAM
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department of agency of the United States any false, fictitious or fraudulent statements or representations as to anymatter within its jurisdiction.		

Lesser Prairie-Chicken Stipulations

Timing Limitation Stipulation / Condition of Approval for lesser prairiechicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 15 through June 15 annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, power line, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period.

Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.



LPC 31 Federal #1 Marbob Energy Corporation March 21, 2007 Additional pay/recompletion

If the Bone Spring formation is not commercial, a CIBP with 35' of cement bailed on top is to be set within 50 feet of the uppermost perforations.

WWI 032107

