Form 3160-5 (April 2004)

OCD-HOBBS **UNITED STATES**

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. Lease Serial No.

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

NMNM23006 6. If Indian, Allottee or Tribe Name

| abandoned well. Use Form 3160 - 3 (APD) for such proposals. | | | | | |
|--|--|--|---|--|--|
| SUBMIT IN TRIPLICATE- Other instructions on reverse side. | | | | 7. If Unit or CA/Agreement, Name and/or No. | |
| 1. Type of Well ☐ Gas Well ☐ Other | | | | 8. Well Name and No. | |
| 2. Name of Operator Marbob Energy Corporation | | | | LPC 31 Federal #4 9. API Well No. | |
| 3a. Address PO Box 227, Artesia, NM 882 | 3b. Phone No. (inc 505-748-3303 | lude area code) | 30-025-38109 10. Field and Pool, or Exploratory Area | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | Lusk; Bone Spring, North | |
| 1935 FNL 1030 FWL, Sec. 31-T18S-R32E, Lot 2 | | | | 11. County or Parish, State | |
| | | | | Lea Co., NM | |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, | | | | EPORT, OR OTHER DATA | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
| Notice of Intent Subsequent Report Final Abandonment Notice | Acidize Alter Casing Casing Repair Change Plans Convert to Injection | Deepen Fracture Treat New Construction Plug and Abando Plug Back | | Well Integrity Other | |
| 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). Lwr 1st Bone Spring Sand 8401' - 8404' (12 shots) 300 gal NE Fe 7 1/2% HCl CIBP @ 8375' 1st Bone Spring Sand 8168' - 8270' (15 shots) 1000 gal NE Fe 7 1/2% HCl Plugback technique to be determined based on results of previous zone(s). BS Silicic Shale 7194' - 7775' (20 shots) 3000 gal NE Fe 15% HCl | | | | | |
| BS Silicic Shale Upr Bone Spring Sand | 7194' - 7775' (20 s 6998' - 7007' (30 s | hots) 3 | 3000 gal NE Fe 15% HC 500 gal NE Fe 7 1/2% I | l HCl | |
| Delaware Sand | SEE ATTACHED FOR | | | | |
| | | | CONDI | TIONS OF APPROVAL | |
| 14. I hereby certify that the fore Name (Printed/Typed) Diana J. Briggs | going is true and correct | Title | Production Analyst | | |
| Signature Date Date | | | 0 | 3/14/2 007 APPROVED | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | |
| Approved by Conditions of approval, if any, are attached. Approval of this notice does not wa certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon. | | | Title Office | Date MAR 2 1 2007 WESLEY W. INGRAM PETROLEUM ENGINEER | |
| 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 or 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 #4 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

