

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, Artesia, NM 88210
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

RECEIVED
DEC 18 2008
HOBBSOCD

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

SUNDRY NOTICES AND REPORTS ON WELLS (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)		WELL API NO. 30-025-38600 ✓
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Marbob Energy Corporation ✓		6. State Oil & Gas Lease No.
3. Address of Operator PO Box 227, Artesia, NM 88211-0227		7. Lease Name or Unit Agreement Name Pick State ✓
4. Well Location Unit Letter <u>J</u> : <u>2310</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>23</u> Township <u>18S</u> Range <u>33E</u> NMPM Lea County		8. Well Number <u>2</u> ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3871' GR		9. OGRID Number 14049 ✓
		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Convert to SWD ☒

OTHER: ☐

13. 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 recompletion.

Marbob Energy Corporation proposes to convert this well to a Salt Water Disposal well as follows:

Drill out CIBP @ 5230'. Sqz Delaware perms @ 5304' - 5348' w/ 200 sx cmt. Drill out sqz below 5350' and test sqzd perms to 1000 - 1500#. Drill out CBP's @ 5740' & 5880'. Clean out to 6490'. Perf the Delaware @ 5909' - 6414' (172 shots). Acdz perms w/ 2000 gal NE Fe 15% HCl acid. Frac down tbg w/ 200K# 20/40 brown sand. RIH w/ nickel plated injection packer on 2.875"/6.5/J55/EUE Duoline 20 internally lined tubing & set @ 5700'. Test annulus to 300# for 30 minutes & record data on a chart for submission to OCD. Notify OCD 24 hrs prior to test for witnessing.

(See Administrative Order SWD-1155)

*Perf. is to be set
< 100' Above Top Perf.*

Spud Date:

Rig Release Date:

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

SIGNATURE Diana J. Briggs TITLE Production Analyst DATE 12/16/08

Type or print name Diana J. Briggs E-mail address: production@marbob.com PHONE: (575) 748-3303

For State Use Only

APPROVED BY: Camille W. Hill TITLE OCD DISTRICT SUPERVISOR/GENERAL MANAGER

Conditions of Approval (if any):

DATE

DEC 22 2008