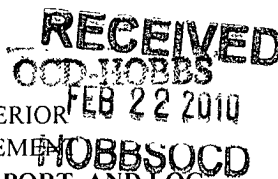


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG



FORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

5 LEASE DESIGNATION AND SERIAL NO
SHL NM094191
BHL NM017435A

1a Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b Type of Completion ☒ New Well ☐ Workover ☐ Deepen ☐ Plug Back ☐ Diff Resvr

6 INDIAN ALLOTTEE OR TRIBE NAME

7 UNIT AGREEMENT

8 FARM OR LEASE NAME

SDL Federal Com #1H

2 Name of Operator

Marbob Energy Corporations

3 Address

P.O. Box 227
Artesia, NM 88211-0227

3a Phone No. (include area code)

575-748-3303

9 API WELL NO

30-025-39537

4. Location of Well (Report location clearly and in accordance with Federal requirements)

At surface 990' FNL & 330' FWL, Unit D (NWNW)

10 FIELD NAME

Lusk; Bone Spring, North

At top prod Interval reported below

894' FNL & 678' FWL, Unit D (NWNW)

11. SEC T. R. M. OR BLOCK AND SURVEY
OR AREA 31 T 18S R 32E

At total depth

380' FNL & 3592' FWL (1688' FEL), Unit B (NWNE)

12. COUNTY OR PARISH

Lea

13 STATE

NM

14 Date Spudded

10/28/09

15 Date T D Reached

11/18/09

16 Date Completed

1/29/10

☐ D & A

☒ Ready to Prod

17 ELEVATIONS (DF, RKB, RT, GR, etc)*

3670'

GR

3686'

KB

18 Total Depth

MD

11436'

TVD

8315'

19 Plug back T D

MD

11375'

TVD

8313'

20 Depth Bridge Plug Set

MD

TVD

21 Type Electric & other Logs Run (Submit a copy of each)

DSN, DLL

22 Was well cored?

☒ No

☐ Yes (Submit analysis)

Was DST run?

☒ No

☐ Yes (Submit report)

Directional Survey?

☐ No

☒ Yes (Submit copy)

23 Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/ Grade | Wt (#/ft) | Top (MD) | Bottom(MD) | Stage Cementer Depth | No of Sks & Type of Cement | Slurry Vol (Bbl) | Cement Top* | Amount Pulled |
|-----------|-------------|-----------|----------|------------|----------------------|----------------------------|------------------|-------------|---------------|
| 17 1/2" | 13 3/8" J55 | 54.5# | 0 | 1034' | | 950 sx | | 0 | None |
| 12 1/4" | 9 5/8" J55 | 36# | 0 | 2977' | | 950 sx | | 0 | None |
| 7 7/8" | 5 1/2" N80 | 17# | 0 | 11435' | | 1050 sx | | 2120' (TS) | None |

24 Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2 7/8" | 7882' | N/A | | | | | | |

25 Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No of Holes | Perf Status |
|----------------|-------|--------|---------------------|------|-------------|-------------|
| A) Bone Spring | 8475' | 11375' | 10563-11375' | | 30 | Open |
| B) | | | 9525-10325' | | 30 | Open |
| C) | | | 8475-9275' | | 30 | Open |
| D) | | | | | | |

26 Perforation Record

27 Acid/Fracture Treatment, Cement Squeeze, Etc

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 10563-11375' | Acidz w/3500 gal 7 1/2% NEFE; Frac w/499990# sand & 350564 gal fluid |
| 9525-10325' | Acidz w/2000 gal 7 1/2% NEFE; Frac w/538000# sand & 487573 gal fluid |
| 8475-9275' | Acidz w/3000 gal 7 1/2% NEFE; Frac w/502010# sand & 363576 gal fluid |

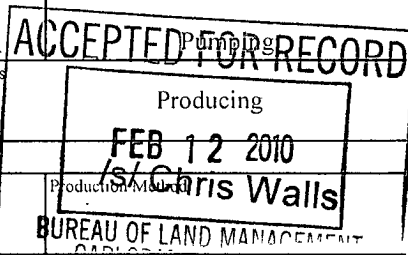
28 Production- Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| 1/31/10 | 2/1/10 | 24 | → | 120 | 0 | 193 | N/A | N/A | Pumping |
| Choke Size | Tbg Press Flwg SI | Csg Press | 24 Hr Rate | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |
| N/A | N/A | N/A | → | | | | | | |

28a Production- Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg Press Flwg SI | Csg Press | 24 Hr Rate | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

* See instructions and spaces for additional data on page 2)



KZ

28b Production- Interval C

| Date First Produced | Test Date | Hours Tested | Test Production | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg Press Flwg SI | Csg Press | 24 Hr Rate | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

28c Production- Interval D

| Date First Produced | Test Date | Hours Tested | Test Production | Oil Bbl | Gas MCF | Water Bbl | Oil Gravity Corr API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg Press Flwg SI | Csg Press | 24 Hr Rate | Oil Bbl | Gas MCF | Water Bbl | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

29 Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30 Summary of Porous Zones (include Aquifers)

Show all important zones of porosity and contents thereof Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31 Formation (Log) Markers

| Formation | Top | Bottom | Descriptions Contents, Etc | Name | Top |
|--------------|-------|--------|----------------------------|----------------|----------------|
| | | | | | Measured Depth |
| Yates | 2604' | 2905' | | Rustler | 970' |
| Seven Rivers | 2906' | 3465' | | Top of Salt | 1050' |
| Queen | 3630' | 4569' | | Bottom of Salt | 2376' |
| San Andres | 4570' | 4877' | | Yates | 2604' |
| Delaware | 4878' | 6693' | | Seven Rivers | 2906' |
| Bone Spring | 6694' | 11436' | | Bowers | 3466' |
| | | | | Queen | 3630' |
| | | | | San Andres | 4570' |
| | | | | Delaware | 4878' |
| | | | | Bone Spring | 6694' |
| | | | | | TD 11436' |

32 Additional remarks (include plugging procedure)

33 Indicate which items have been attached by placing a check in the appropriate boxes

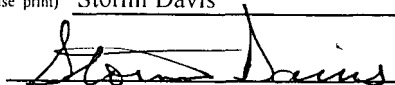
- ☒ Electrical/ Mechanical Logs (1 full set required)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
- ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☒ Other Deviation Report

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Stormi Davis

Title Production Assistant

Signature



Date 2/3/10

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 any matter within its jurisdiction