

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **Maralex Resources, Inc.**

3a. Address
P.O. Box 338, Ignacio, CO 81137

3b. Phone No. (include area code)
970/563-4000

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**660' FNL; 1980' FEL (NWNE)
Section 31-T25N-R10W**

5. Lease Serial No.
NMNM100304

6. If Indian, Allottee, or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Trading Post 31 #1

9. API Well No.
30-045-33233

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State

San Juan County, NM

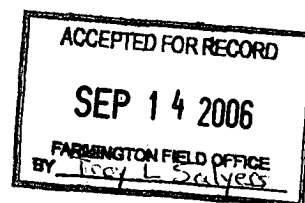
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Set Production
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Casing
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

On 7/13/06, ran new 5-1/2", 15.5#, J-55 production casing, landed at 1655' KB. Cemented casing with 178 sacks of 65/35 Pozmix with 6% gel, 5# gilsonite, and 1/4# flocele. Follow with 80 sacks of Type G cement with 4/10% Halad 344, 5# gilsonite, and 1/4# flocele. (Lead cement 12.4 ppg, tail cement 15.2 ppg). Drop plug and displace with 38.5 barrels water. Circulate 5 barrels cement to surface. Plug down at 12:52PM.

*report hole size & TD
report press tst on csg next rpt*



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carla S. Shaw

Title **Production Technician**

Signature

Carla S. Shaw

Date

09/08/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or 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.

Title

Date

Office

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.

(Instructions on page 2)

NMOC

[Signature]