

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.*FORM APPROVED
Budget Bureau No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.
NMSF-078481A
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

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

2. Name of Operator
M&G Drilling Company, Inc. NM OGRID # 141852

3a. Address
PO Box 5940, Farmington, NM 87499-5940

3b. Phone No. (include area code)
(505) 325-6779

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit O, 890' FSL, 1845' FEL Sec. 3, T27N, R8W

8. Well Name and No.
Graham #100

9. API Well No.
30-045-32730

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

11. County or Parish, State
San Juan, New Mexico

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"/> After 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 <u>Pipeline Survey For</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Surface Commingle</u>
	<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 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.)

M&G Drilling Company received Surface Commingle approval for the Graham #3 & Graham #100 on July 31, 2007. The Graham #100 will be equipped with an allocation meter, which will be maintained by M&G Drilling in accordance with State and Federal Regulations.

Attached is the pipeline survey as requested.

RCUD NOV 15 '07
OIL CONS. DIV.
DIST. 3

No order on Graham #100

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Rhonda DeVilbiss

Title

Production Assistant

Signature

Date

10-3-2007

Approved by

Brie Luss

Title

EPTL

Date

11/13/07

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 operation thereon.

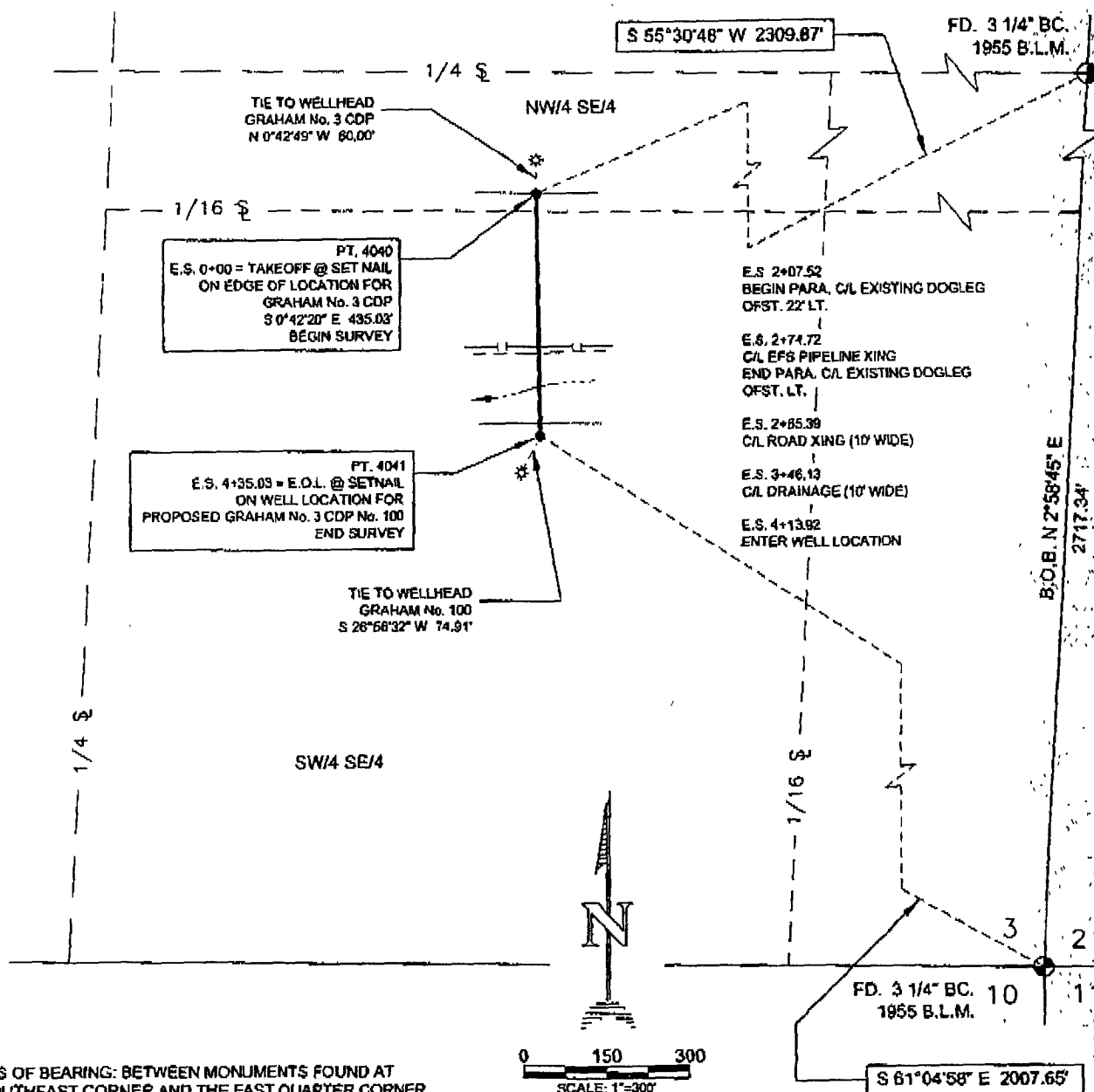
Office

FFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

A PRELIMINARY SURVEY OF A 40 FOOT EASEMENT CROSSING B.L.M. LANDS FOR

M & G DRILLING COMPANY INC.**PROPOSED GRAHAM No. 3 CDP & No. 100 PIPELINE**NW/4 SE/4, SW/4 SE/4 OF SEC. 3, TOWNSHIP 27 NORTH, RANGE 8 WEST, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO**NOTES:**

1) BASIS OF BEARING: BETWEEN MONUMENTS FOUND AT THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SEC. 3, T27N, R8W, N.M.P.M. LINE BEARS N 2°58'45" E A DISTANCE OF 2717.34' PER G.P.S. MEASUREMENT.


2) DATE OF SURVEY: SEPTEMBER 10, 2007

3) DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

I, ROY A. RASH, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL SURVEY PERFORMED BY ME OR UNDER MY DIRECTION, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

I FURTHER CERTIFY THAT THIS IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT.

OWNER	STATION	FT./RODS
B.L.M.	E.S. 0+00 TO E.S. 4+35.03	435.03/26.37

REVISION	REV. BY	DATE
 Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 510 Farmington, NM 87499 Phone (505) 326-1772 Fax (505) 326-8019 REGISTERED LAND SURVEYOR NEW MEXICO No. 8894		
SHEET 1 OF 1		CADFILE: M&G022_P01
DRAWN BY: G.V.	ROW#: M&G022	DATE: 9/19/07