

RECEIVED

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JAN 9 2008

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010**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.Case Serial No.
NOG-9309-12506. If Indian, Allottee or Tribe Name
Navajo

RCVD JAN 15 '08

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

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

OIL CONS. DIV.

2. Name of Operator
Pro NM Energy, Inc.8. Well Name and No.
Gracia Navajo 5K # 2S

DIST. 3

3a. Address
460 St. Michael's Drive, Suite 402
Santa Fe, NM 875053b. Phone No. (include area code)
505/988-41719. API Well No.
30-045-3347110. Field and Pool or Exploratory Area
Basin Fruitland Coal4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1275' FNL, 1620' FWL
Section 5, T25N, R11W11. Country or Parish, State
San Juan County, NM

12. CHECK THE 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 Complete Well
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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.)

The above-referenced well will be completed beginning the week of January 7, 2008. Verbal approval was granted to Dennis Reimers (Field Agent for Pro NM) by Charlie Perrin of the NMOCD, Aztec Field Office to perforate the well from approximately 1257'-1278'. The well was logged and showed the cement top of the 4-1/2" casing at 990'. It was agreed upon to cement squeeze after the well is completed.

Notice of Intent required before commencing squeeze operation

ACCEPTED FOR RECORD

JAN 11 2008

FARMINGTON FIELD OFFICE
BY T. Salazar

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

Carla S. Shaw

Title Agent for Pro NM Energy, Inc.

Signature

Carla S. Shaw

Date 01/07/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

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)

NMOCD

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., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-045-33471
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Gracia Navajo 5K
8. Well Number 2S
9. OGRID Number 18118
10. Pool name or Wildcat Basin Fruitland Coal

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.)

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

2. Name of Operator

Pro NM Energy, Inc.

3. Address of Operator 460 St. Michael's Dr., Suite 402
Santa Fe, NM 87505

4. Well Location

Unit Letter C : 1275 feet from the North line and 1620 feet from the West line
Section 5 Township 25N Range 11W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6316' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Complete Well ☒

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.

As per telephone conversation on 01/07/08 between Dennis Reimers (Agent for Pro NM) and Charlie Perrin of the NMOCD, Aztec Field Office, verbal approval was granted to complete the above captioned well. The proposed perforations will be from 1257' - 1278'. The well was logged and showed the cement top of the 4-1/2" casing at 990'. It was agreed upon to cement squeeze after the well is completed.

RCVD JAN 10 '08

OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Carla S. Shaw TITLE Agent for Pro NM Energy DATE 01/07/08

Type or print name Carla S. Shaw
For State Use Only

E-mail address: production@maralexresources.com Telephone No. 970/563-4000

APPROVED BY: Accepted for info TITLE _____ DATE _____
Conditions of Approval (if any):

8 1/15/08

Federal well.
Need Perm?