

Acid

30-045-32857

Weatherford				Fracturing Technologies				TREATMENT REPORT			
Operator Maralex Resources / <i>Pro NM</i>				Service Order No.: 0		Date: January 9, 2008		Customer PO No.: 0		Page: 1 of 2	
Lease Fruitland Coal		Well No. Gracia Federal 181 # 1		Stage 1		Maximum Pressure 3,000		Previous Treatment:			
County San Juan		State NM		Legal sec18T26nr11w							
BHT, °F	BHP, psi	Hole Angle	Wellbore Fluid	Formation	Top, MD	Bottom, MD	Perfs	Size, in.			
86	426	0	2% KCL	Fruitland Coal	1301'	1317'	16	0.34			
Field Representative Dennis Reimers		Phone Number (970) 799-1638		Mobile Number -		0	0'	0'	0	0	
Service Location Farmington		Phone Number (505) 327-9329		Fax Number (505) 564-2813		0	0'	0'	0	0	
Service Supervisor f - Fitz, John		Field Engineer 1/0/1900		Fluid Technician 0		Mechanic 0		Special Notes			
TUBULAR DATA											
	Size	Wt (#/ft)	Grade	Top	Bottom	Capacities					
Casing	5.5	15.5 #/ft		0	1317	31.0	bbls				
0				0	0	#VALUE!	bbls				
0				0	0	#VALUE!	bbls				
0				0	0	#VALUE!	bbls				
0				0	0	#VALUE!	bbls				
PACKER ASSEMBLY											
Description	Depth	Length	OD (in)	ID (in)	Pressure Rating						
0	0			0.000	0						
FLUID AND PROPPANT DESCRIPTION											
Fluid in Tanks: f - Jim, Ramon		Before:		bbls		After:		bbls		Fluid Additives	
						Fluid Used:		bbls		Gel	0
										WFR-55LA	0
Acid: 7 1/2 % HCL						Amount:		5	bbls	WNE-341LN	0
										Add 3	0
Pad Fluid:						Amount:		bbls		Add 4	0
Sand Load:						Amount:		bbls		Add 5	0
Flush: PRODUCED H2O						Amount:		51	bbls	Add 6	0
Other: 12:3 MUD ACID						Amount:		18	scfm	Add 7	0
										Dry 1	0
Proppant 1						Amount:		lbs		Dry 2	0
Proppant 2						Amount:		lbs			
Proppant 3						Amount:		lbs			
Diverter						Amount:					
Proposed Treatment											
Treatment Summary Continued Below											



TREATMENT REPORT

Operator

Maralex Resources

Service Order No.: 0

date: January 9, 2008

Purchase Order No.: 0

Page: 2 of 2

**Leese
Fruitland Coal**

Well No.	Stage
Gracia Federal 181 # 1	1

Treatment Summary

Fluid to recover:	92	bbls	Average Rate:	5.1	bpm	Avg Treating Pressure:	450	psi
Proppant:		lbs	Rate on Pad:	0.0	bpm	Pressure on Pad:	0	psi
			Rate on Sand:		bpm	Pressure on Sand:		psi
			Rate on Flush:	5.1	bpm	Pressure on Flush:	420	psi
MAX Pressure Enc.:		psi				Final ISIP:	VAC	psi
Final FG:		psi/ft	Flush Density:		lb/gal	5 min ISIP:	VAC	psi
Net Pressure Increase:		psi				10 min ISIP:	VAC	psi
						15 min ISIP:	C65	psi

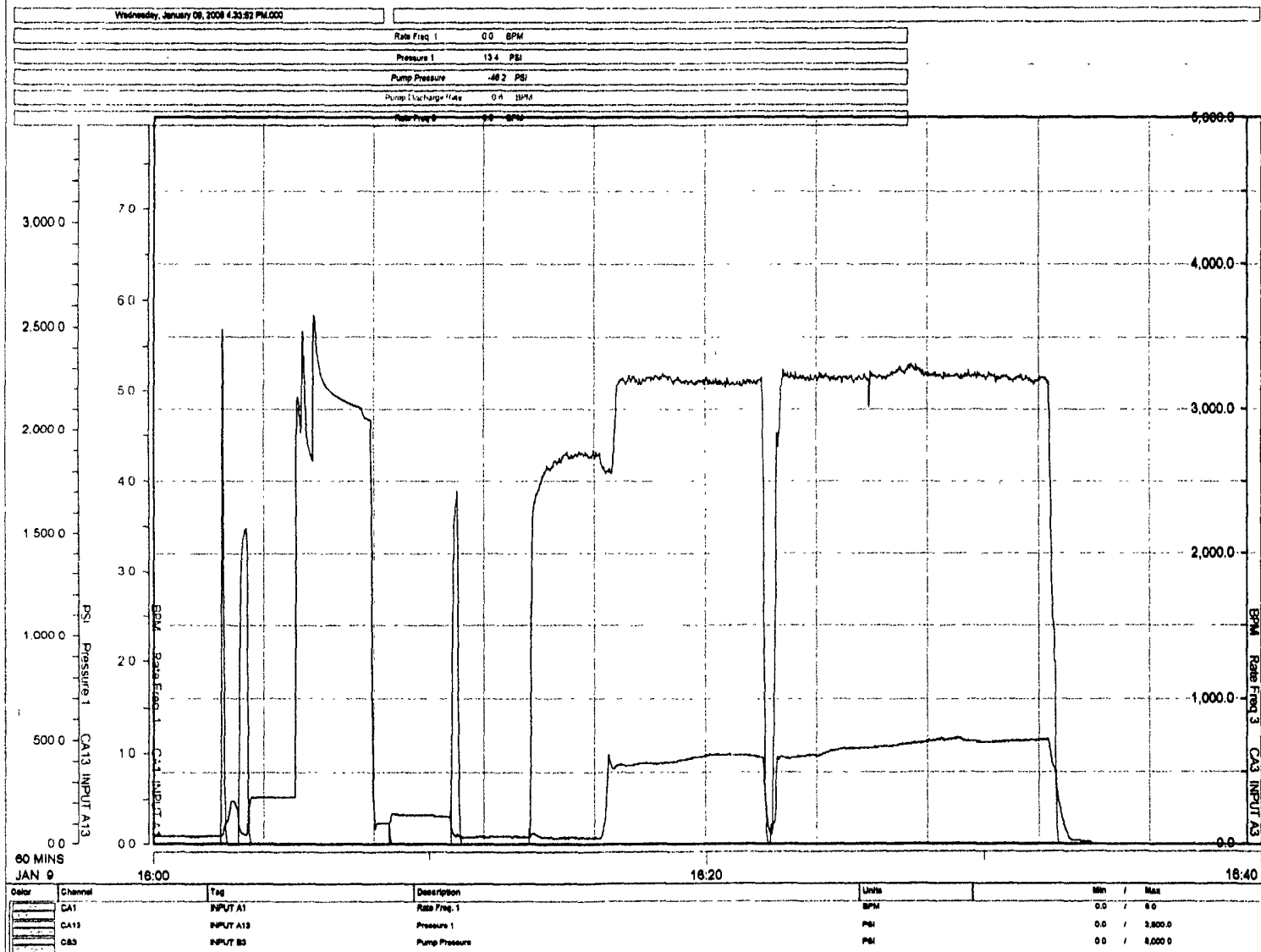
Logger Name : Unknown

File Name : 080109_104738.gdt

Start Time : Wednesday, January 09, 2008 8:07:39 PM

Stop Time : Unknown

WELL NAME GARCIA FEDERAL 18101 CUSTOMER MARALEX RES TREATER J PIZ DATE 1-8-08 MISC ACID SPOT



**Weatherford**

Fracturing Technologies

TREATMENT REPORT

Operator Maralex Resource					Service Order No.: 0		Date: January 22, 2008	
Lease Fruitland Coal					Well No. Gracia Federal 18I #1		Stage 1	
					Maximum Pressure 4,000		Customer PO No.: 0	
County San Juan					State NM		Legal 0	
Previous Treatment:								
BHT, °F 84 / 83	BHP, psi 853 / 972	Hole Angle 0	Wellbore Fluid 2% KCL	Formation Fruitland Coal	Top, MD 1301'	Bottom, MD 1317'	Perfs 30	Size, in. 0.34
Field Representative Dennis Reimers		Phone Number -		Mobile Number (970) 799-1638		0	0'	0
Service Location Farmington		Phone Number (505) 327-9329		Fax Number (505) 564-2813		0	0'	0
Service Supervisor f - Duncan, Victor		Field Engineer f - Quintana, Paul		Fluid Technician f - Atencio, Robert		Mechanic f - Murdock, Manuel		Special Notes
TUBULAR DATA								
	Size	Wt (#/ft)	Grade	Top	Bottom	Capacities		
Casing	5.5	15.5 #/ft		0	1317	31.0	bbbs	
0				0	0	#VALUE!	bbbs	
0				0	0	#VALUE!	bbbs	
0				0	0	#VALUE!	bbbs	
0				0	0	#VALUE!	bbbs	
PACKER ASSEMBLY								
Description	Depth	Length	OD (in)	ID (in)	Pressure Rating			
0	0			0.000	0			
FLUID AND PROPPANT DESCRIPTION								
Fluid in Tanks	2 % KCL	Before:	2,880	bbbs	After:	2,198	bbbs	
				Fluid Used:	682	bbbs		
							Get	0
							WFR-55LA	0
Acid				Amount:	0	bbbs	WNE-341LN	0
Pre-Pad	AQUAVIS			Amount:	37	bbbs	Add 3	0
Pad Fluid	DYNAFRAC			Amount:	412	bbbs	Add 4	0
Sand Laden	DYNAFRAC			Amount:	105	bbbs	Add 5	0
Flush	AQUAVIS			Amount:	3	bbbs	Add 6	0
Other				Amount:	scfm		Add 7	0
							Dry 1	0
Proppant 1	20/40 BASF			Amount:	5,868	lbs	Dry 2	0
Proppant 2	20/40 BASF IN HOPPER			Amount:	2,500	lbs		
Proppant 3				Amount:		lbs		
Diverter				Amount:				
Proposed Treatment								

Treatment Summary Continued Below

**Weatherford**

Fracturing Technologies

TREATMENT REPORT**(Continued)**

Operator

Maralex Resource

Service Order No.: 0

Date: January 22, 2008

Purchase Order No.: 0

Page: 2 of 2

Lease

Fruitland Coal

Well No.

Gracia Federal 181 #1

Stage

1

Treatment Summary

Time	Pressure 1 (PSI)	Suction Rate ADC1 (BBL/min)	Discharge Rate (BBL/min)	Discharge Total (BBL)	Measured Density (PPA)	All Sand Total ADC1 (lbs)	N2 Inline Total (SCF)	N2 Inline Turb Rate (SCFM)	Prop Total (PPA) (LBS)	Event Tag
5:50:00	0	0	0	0	0	0	0	0	0	ON LOCATION
6:00:00	0	0	0	0	0	0	0	0	0	SPOTTED EQUIPMENT
6:30:00	0	0	0	0	0	0	0	0	0	SAFETY MTG
6:40:00	0	0	0	0	0	0	0	0	0	RIG UP
7:05:00	0	0	0	0	0	0	0	0	0	RIG COMPLETE
8:14:00	5200	0	0	0	0	0	0	0	0	PRIME UP PREASURE TEST
8:30:00	0	0	0	0	0	0	0	0	0	SAFETY MEETING
8:37:00	0	0	0	0	0	0	0	0	0	START JOB
8:37:00	70	0	0	0	0	0	0	0	0	OPEN WELL HEAD
8:40:00	73	0	0	0	0	0	0	0	0	LOAD THE HOLE
8:41:00	1734	15	16	31	0	0	0	0	0	BREAK
8:41:00	1455	34.5	35.2	38	0	0	0	0	0	PAD
8:44:00	1529	33.6	35.3	429	0	0	0	0	0	START 1# SAND
8:56:00	3885	32.6	33.8	620	1.03	5868	0	0	5868	FLUSH
8:58:00	3996	4.8	5	623	.8	0	0	0	0	SHUT IN WELL
9:04:00	395	0	0	0	0	0	0	0	0	CLEAN UP
9:08:00	0	0	0	0	0	0	0	0	0	SAFETY MTG
9:45:00	0	0	0	0	0	0	0	0	0	RIG DOWN
10:45:00	0	0	0	0	0	0	0	0	0	OFF LOCATION

Fluid to recover: 55 bbls

Proppant: 5,868 lbs

MAX Pressure Enc.: 4,423 psi

Final FG: 1.68 psi/ft

Net Pressure Increase: 1,528 psi

Average Rate: 35.0 bpm

Rate on Pad: 35.0 bpm

Rate on Sand: 35 bpm

Rate on Flush: 5 bpm

Flush Density: 8.43 lb/gal

Avg Treating Pressure: 1,455 psi

Pressure on Pad: 1,455 psi

Pressure on Sand: 1,529 psi

Pressure on Flush: 3,885 psi

Final ISIP: 1,512 psi

5 min ISIP: 0 psi

10 min ISIP: 0 psi

15 min ISIP: 0 psi



Weatherford

EXECUTIVE SUMMARY

Weatherford Fracturing Technologies provided the following Fracture Stimulation treatment on with the following results for:

January 21, 2008

Company:	Maralex Resources	
Well:	Gracia Federal 181 #1	
County	San Juan	
State	NM	
Sec. / Twp. / Rng.		
Stage	1	
Formation:	Fruitland Coal	
Top Perf:	1,301 ft	
Bottom Perf:	1,317 ft	
Fluid System:	DynaFrac/AquaVis	
Base Fluid:	6.25 lb/gal	
Breakers:	WBK-132 (Enzyme) WBK-133 (Persulfate)	
Avg. Rate:	31.6 bpm	
Avg. Pressure:	1,455 psi	
Max Rate:	39.5 bpm	
Max Pressure:	4,423 psi	
Avg. HP	1,127 HP	
Max HP:	4,282 HP	
Total Clean	25,914 gal	617 bbls
Total Slurry	26,418 gal	629 bbls
Total Proppant in Formation:	5,868 lb	
Total Proppant Pumped:	5,868 lb	BASF
Final ISIP:	1,512 psi	
Final Frac Gradient:	1.68 psi/ft	

There were no electrical or mechanical problems to start the job

The pressure rose as soon as the sand hit the perfs

The well screened out on 1 lb sand

There is 1206 lbs of sand in the well bore

Please feel free to contact me at (505) 327-9329 if you have any questions or concerns.

Thank you.

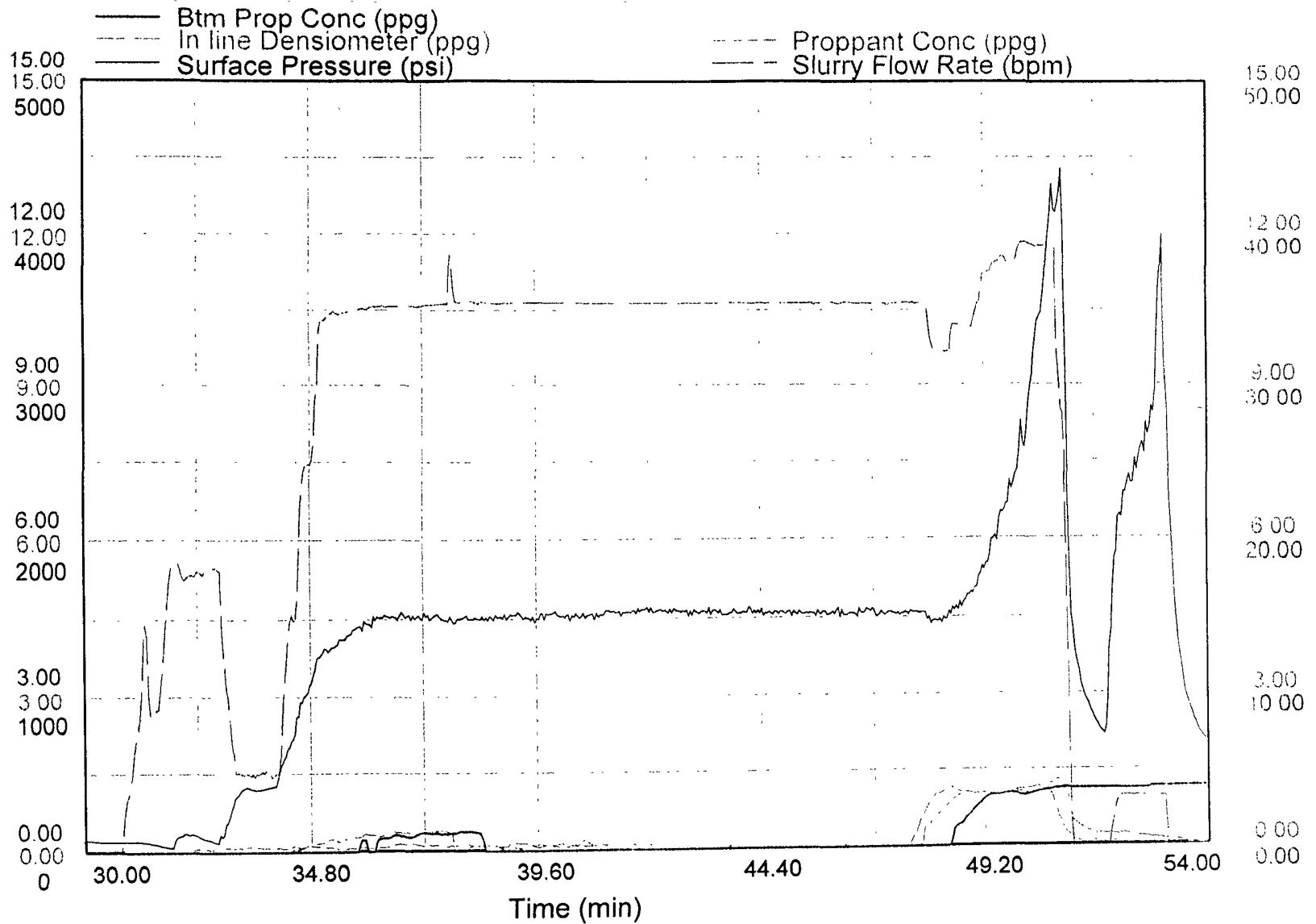
Paul Quintana

Field Engineer

Weatherford Fracturing Technologies

Maralex Resources Stage 1

Gracia Fed. 181 #1
San Juan, NM

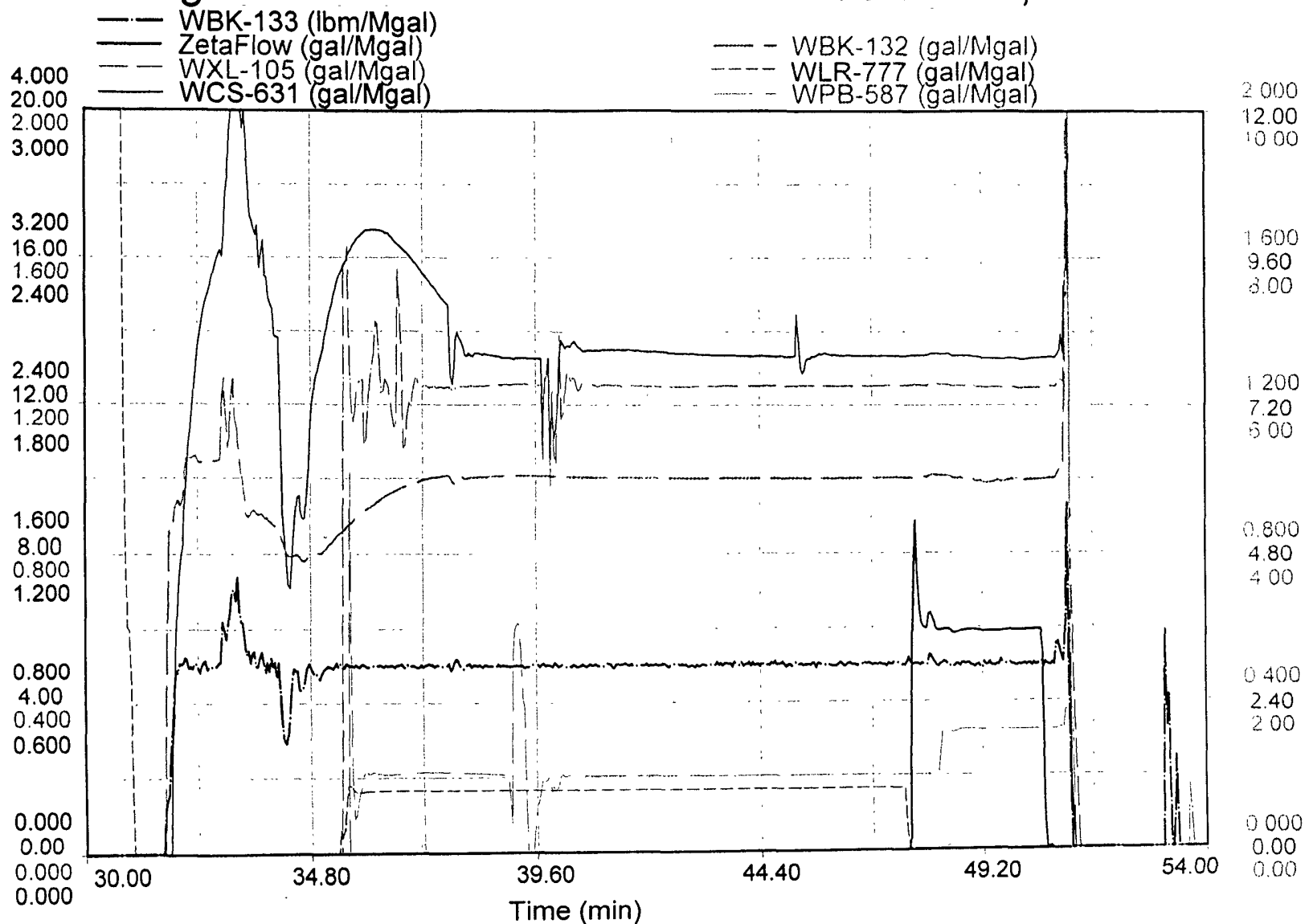


Fruitland Coal

Treatment

Maralex Resources Stage 1

Gracia Fed. 181 #1
San Juan, NM

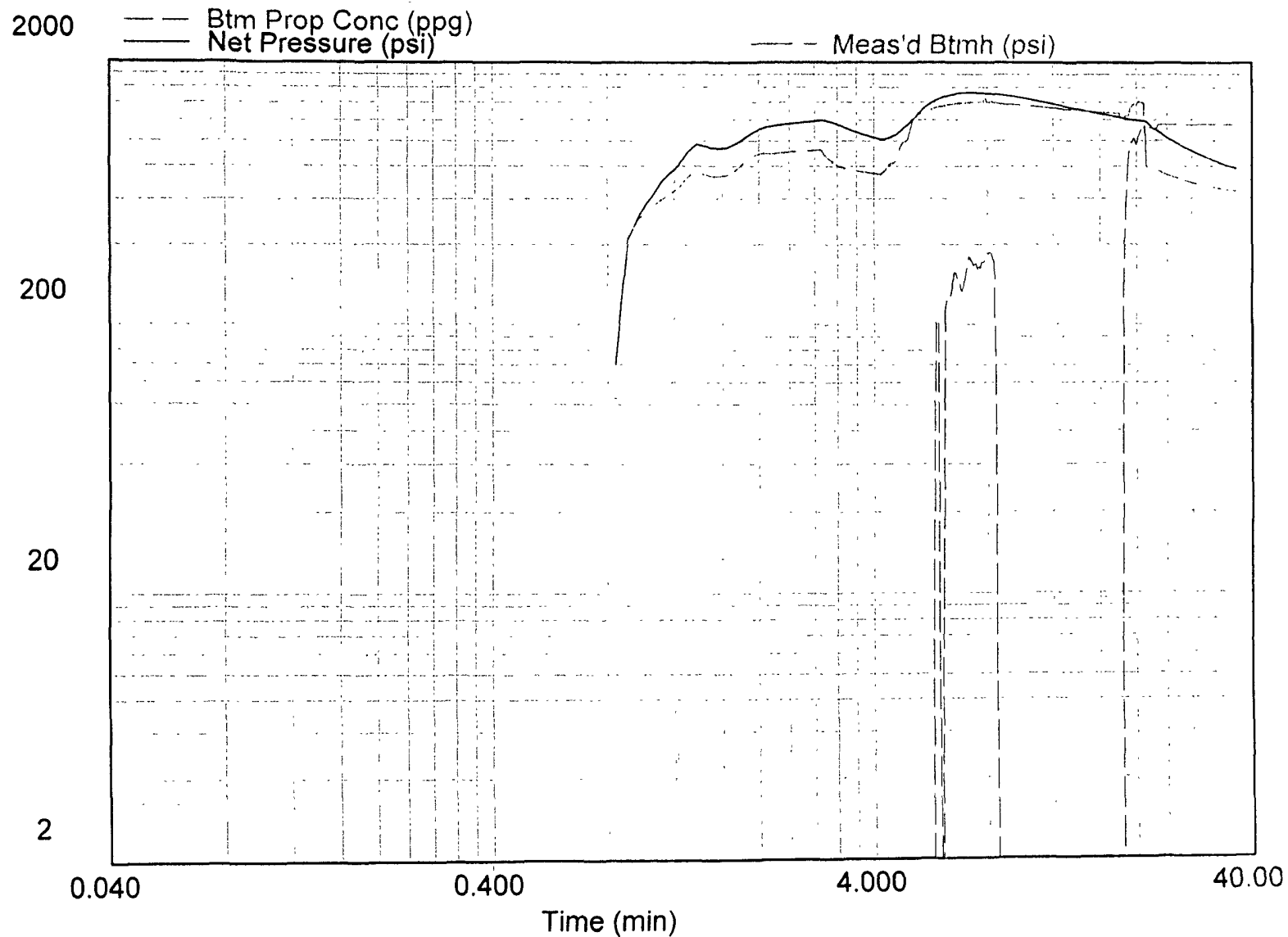


Fruitland Coal

Additives

Maralex Resources Stage 1

Gracia Fed. 181 #1
San Juan, NM



Fruitland Coal

Nolte



Fracturing Technologies

TREATMENT REPORT

Operator Maralex Resource				Service Order No.: 0		Date: February 2, 2008											
Lease Fruitland Coal				Well No. Gracia Federal 181 #1		Stage 2		Maximum Pressure 3,900		Customer PO No.: 0		Page: 1 of 2					
County San Juan				State NM		Legal 0		Previous Treatment:									
BHT, °F 84 / 83		BHP, psi 420 / 407		Hole Angle 0		Wellbore Fluid 2% KCL		Formation Stg 1 - Fruitland Coal		Top, MD 1301'		Bottom, MD 1317'		Perfs 64		Size, in. 0.34	
Field Representative Dennis Reimers				Phone Number -		Mobile Number (970) 799-1638		Stg 2 - Fruitland Coal 0		1164'		1168'		16		0.34	
Service Location Farmington				Phone Number (505) 327-9329		Fax Number (505) 564-2813		0		1240'		1244'		16		0.34	
Service Supervisor f - Duncan, Victor				Field Engineer f - Vera, Robert		Fluid Technician f - Atencio, Robert		Mechanic f - Darby, Dean		Special Notes							
TUBULAR DATA																	
Size		Wt (#/ft)		Grade		Top		Bottom		Capacities							
Casing		5.5		15.5 #/ft		0		1317		31.0 bbls							
0						0		0		#VALUE! bbls							
0						0		0		#VALUE! bbls							
0						0		0		#VALUE! bbls							
0						0		0		#VALUE! bbls							
PACKER ASSEMBLY																	
Description		Depth		Length		OD (in)		ID (in)		Pressure Rating							
0		0						0.000		0							
FLUID AND PROPPANT DESCRIPTION										Fluid Additives							
Fluid in Tanks		2 % KCl		Before: 1,360 bbls		After: 290 bbls		Fluid Used		1,070 bbls		Gel		0		gpt	
												WFR-55LA		0		gpt	
Acid		15% Hcl						Amount:		24 bbls		WNE-341LN		0		gpt	
												Add 3		0		gpt	
Pad Fluid		DynaFrac25						Amount:		427 bbls		Add 4		0		gpt	
Sand Laden		DynaFrac25/20						Amount:		625 bbls		Add 5		0		gpt	
Flush		Aquavis20						Amount:		18 bbls		Add 6		0		gpt	
Other								Amount		scfm		Add 7		0		gpt	
												Dry 1		0		ppt	
Proppant 1		20/40 BASF						Amount:		64,347 lbs		Dry 2		0		ppt	
Proppant 2								Amount:		lbs							
Proppant 3								Amount:		lbs							
Diverter								Amount:									
Proposed Treatment																	
Treatment Summary Continued Below																	

**Weatherford**

Fracturing Technologies

TREATMENT REPORT**(Continued)**

Operator

Maralex Resource

Service Order No.: 0

Date: February 2, 2008

Purchase Order No.: 0

Page: 2 of 2

Lease

Well No.

Stage

Fruitland Coal

Gracia Federal 181 #1

2

Treatment Summary

Time	Pressure 1 (PSI)	Suction Rate ADC1 (BBL/min)	Discharge Rate (BBL/min)	Discharge Total (BBL)	Measured Density (PPA)	All Sand Total ADC1 (lbs)	N2 Inline Total (SCF)	N2 Inline Turb Rate (SCFM)	Prop Total (PPA) (LBS)	Event Tag
14:00:00	5000	0	0	0	0	0	0	0	0	Primed up pressure test
14:05:00	1976	5	5		0	0	0	0	0	Load & break
14:08:00	1974	5	5	45.1	0	0	0	0	0	Acid 15% HCL
14:16:00	502	0	0	45.1	0	0	0	0	0	Shut down
14:18:00	1801	5.3	5.5	45.1	0	0	0	0	0	Acid flush
14:23:00	2199	37.6	38.1	56.2	.28	0	0	0	0	Pad
14:31:00	1886	36.1	38.2	483.6	1.03	2493	0	0	3381	1.00 PPG
14:36:00	1621	34.7	38.2	653.7	2.01	11638	0	0	13165	2.00 PPG
14:41:00	1551	33.7	38.2	805.8	2.99	23277	0	0	25605	3.00 PPG
14:42:00	1484	29	38.1	920.2	3.81	36001	0	0	41139	4.00 PPG
14:44:00	1451	28.2	38.1	977.8	5.06	47783	0	0	43508	5.00 PPG
14:45:00	1553	30.7	38.0	1024.1	5.85	56703	0	0	52092	6.00 PPG
14:46:00	1592	38.1	38.1	1076.2	0	64347	0	0	61240	Flush
14:48:00	803.2	38.1	38.1	1094.6	0	64347	0	0	61240	Shut down

Fluid to recover: 1,070 bbls

Proppant: 64,347 lbs

MAX Pressure Enc.: 2,246

Final FG: 1.10 psi/ft

Net Pressure Increase: 878 psi

Average Rate: 37.0 bpm

Rate on Pad: 38.0 bpm

Rate on Sand: 38 bpm

Rate on Flush: 28 bpm

Flush Density: 8.43 lb/gal

Avg Treating Pressure: 1,769 psi

Pressure on Pad: 1,886 psi

Pressure on Sand: 1,484 psi

Pressure on Flush: 1,592 psi

Final ISIP: 803 psi

5 min ISIP: 706 psi

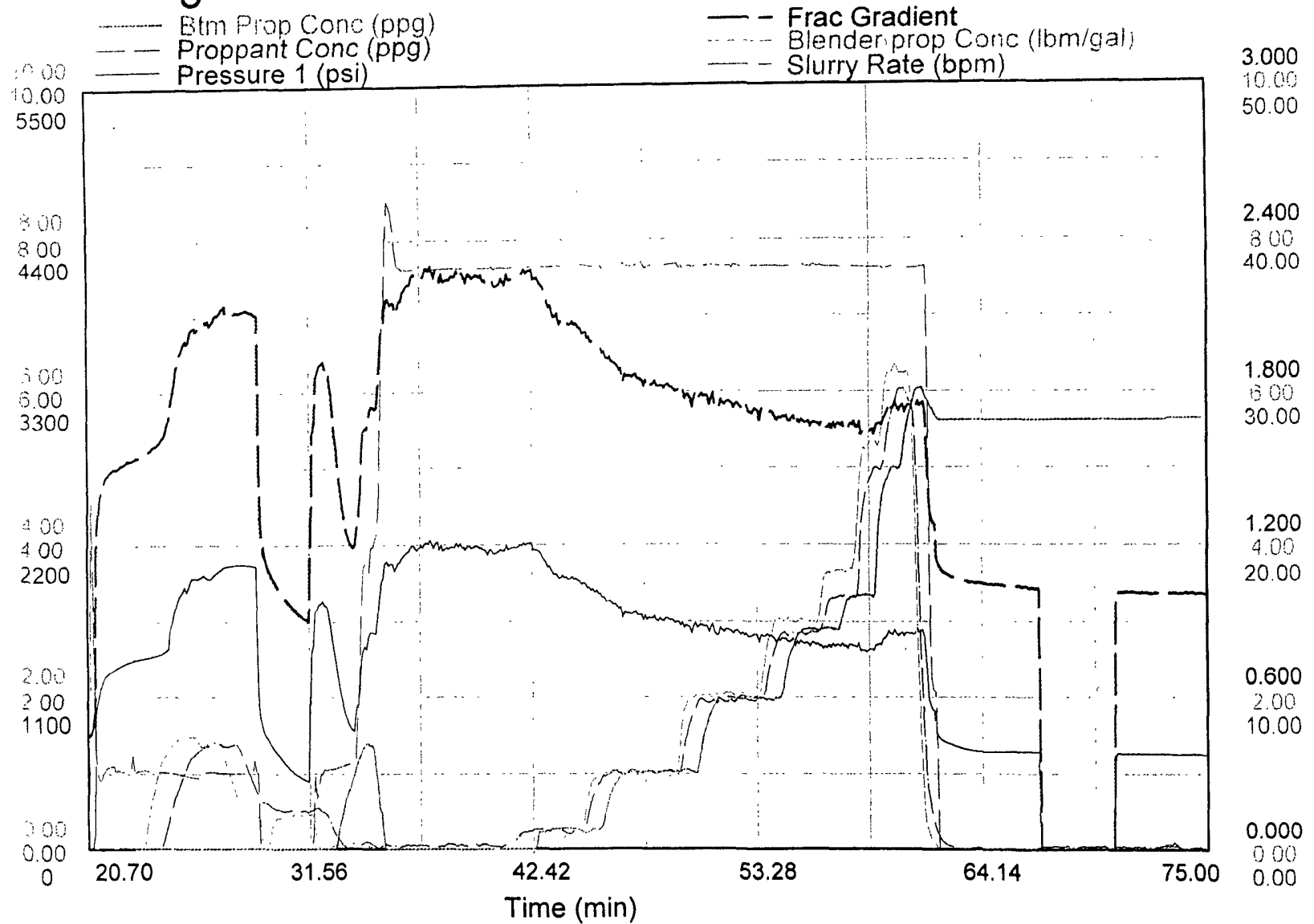
10 min ISIP: 696 psi

15 min ISIP: 690 psi

Maralex Resources

Stage #2

Gracia Federal 181 #1
San Juan County, NM



Fruitland Coal

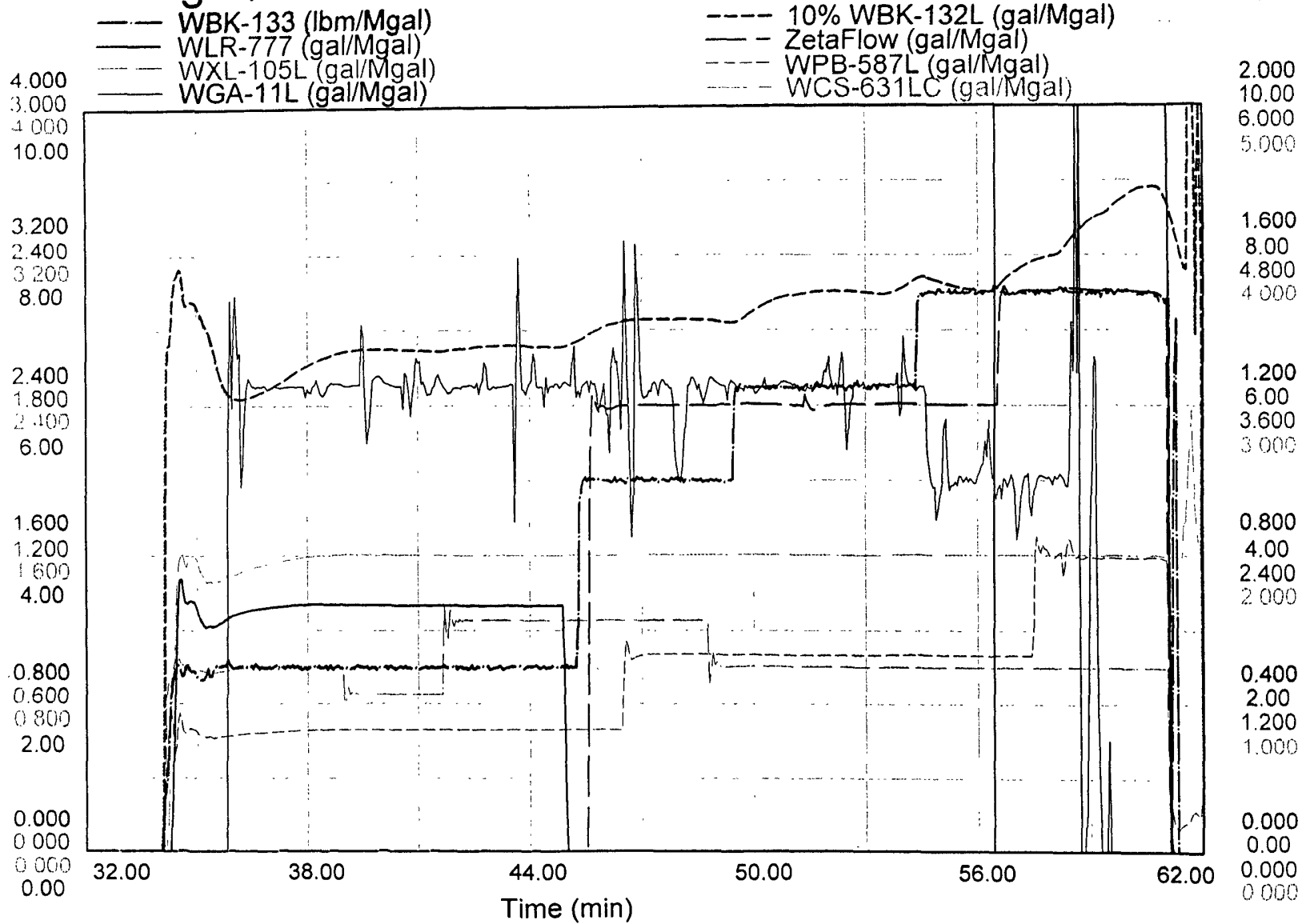
Treatment

Maralex Resources

Stage 2

Gracia Federal 181 #1

San Juan County, NM

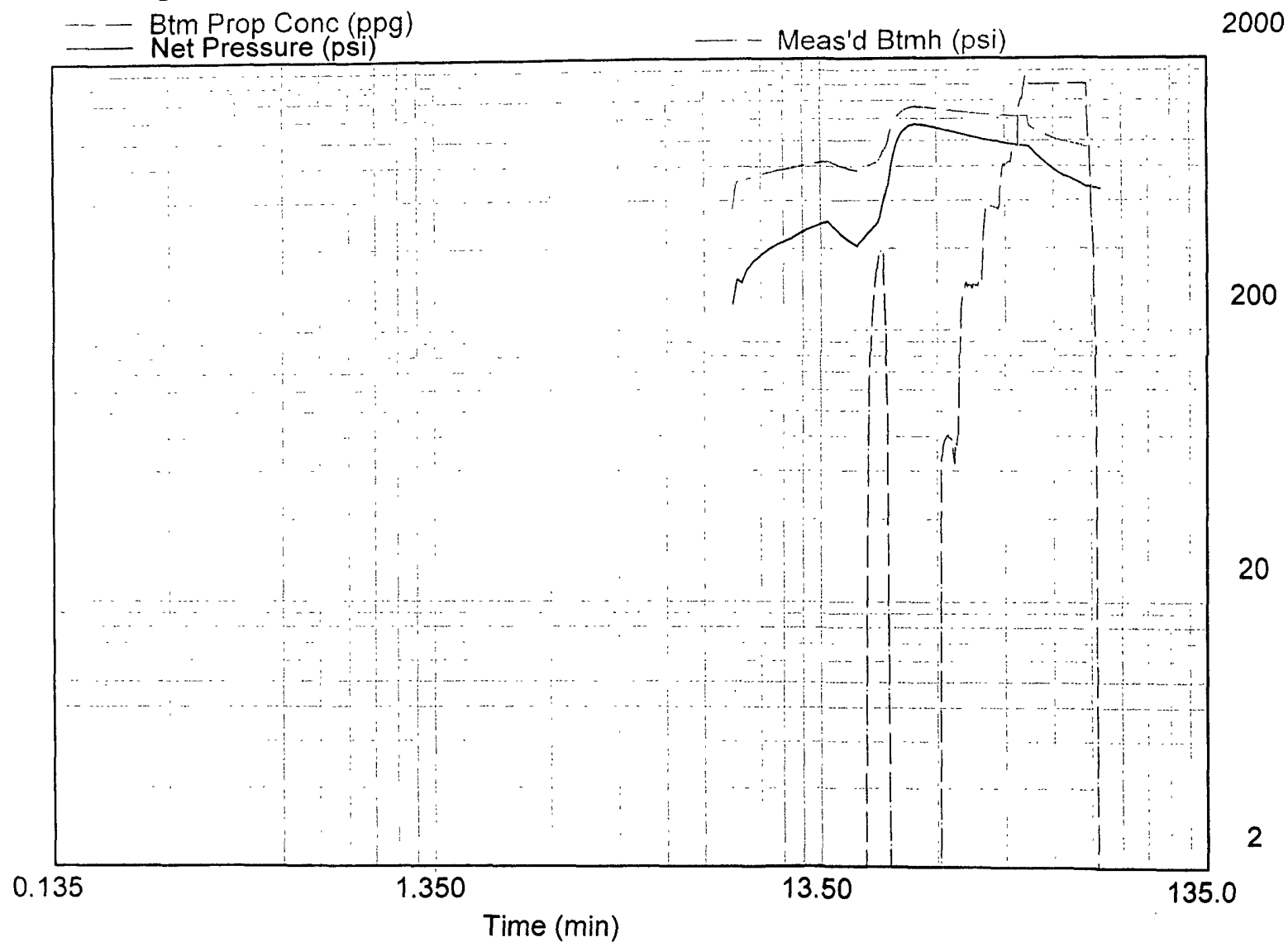


Fruitland Coal

Chemical

Maralex Resources
Stage #2

Gracia Federal 181 #1
San Juan County, NM



Fruitland Coal

Nolte

**Weatherford**

Fracturing Technologies

TREATMENT REPORT

Operator Maralex Resource						Service Order No.: 0 Date: February 2, 2008 Customer PO No.: 0 Page: 1 of 2					
Lease Fruitland Coal		Well No. Gracia Federal 181 #1		Stage 1		Maximum Pressure 3,900					
County San Juan		State NM		Legal 0		Previous Treatment:					
BHT, °F 84 / 83	BHP, psi 420 / 407	Hole Angle 0	Wellbore Fluid 2% KCL			Formation Stg 1 - Fruitland Coal	Top, MD 1301 '	Bottom, MD 1317 '	Perfs 64	Size, in. 0.34	
Field Representative Dennis Reimers		Phone Number -		Mobile Number (970) 799-1638		Stg 2 - Fruitland Coal	1164 '	1168 '	16	0.34	
Service Location Farmington		Phone Number (505) 327-9329		Fax Number (505) 564-2813		0	1224 '	1230 '	24	0.34	
Service Supervisor f - Duncan, Victor		Field Engineer f - Vera, Robert		Fluid Technician f - Atencio, Robert		Mechanic f - Darby, Dean		Special Notes			
TUBULAR DATA											
	Size	Wt (#/ft)	Grade	Top	Bottom	Capacities					
Casing	5.5	15.5 #/ft		0	1317	31.0 bbls					
0				0	0	#VALUE! bbls					
0				0	0	#VALUE! bbls					
0				0	0	#VALUE! bbls					
0				0	0	#VALUE! bbls					
PACKER ASSEMBLY											
Description	Depth	Length	OD (in)	ID (in)	Pressure Rating						
0	0			0.000	0						
FLUID AND PROPPANT DESCRIPTION											
Fluid in Tanks	2 % KCl		Before: 2,460 bbls		After: 1,360 bbls		Fluid Additives				
					Fluid Used: 1,100 bbls		Gel	0			gpt
							WFR-55LA	0			gpt
Acid	15% Hcl				Amount: 24 bbls		WNE-341LN	0			gpt
							Add 3	0			gpt
Pad Fluid	DynaFrac25				Amount: 319 bbls		Add 4	0			gpt
Sand Laden	DynaFrac25/20				Amount: 823 bbls		Add 5	0			gpt
Flush	Aquavis20				Amount: 31 bbls		Add 6	0			gpt
Other					Amount: scfm		Add 7	0			gpt
							Dry 1	0			ppt
Proppant 1	20/40 BASF				Amount: 76,808 lbs		Dry 2	0			ppt
Proppant 2					Amount: lbs						
Proppant 3					Amount: lbs						
Diverter					Amount:						
Proposed Treatment											
Treatment Summary Continued Below											



Fracturing Technologies

TREATMENT REPORT

(Continued)

Operator

Maralex Resource

Service Order No.: 0

Date: February 2, 2008

Purchase Order No.: 0

Page: 2 of 2

Lease

Well No.

Stage

Fruitland Coal

Gracia Federal 181 #1

1

Treatment Summary

Time	Pressure 1 (PSI)	Suction Rate ADC1 (BBL/min)	Discharge Rate (BBL/min)	Discharge Total (BBL)	Measured Density (PPA)	All Sand Total ADC1 (lbs)	N2 Inline Total (SCF)	N2 Inline Turb Rate (SCFM)	Prop Total (PPA) (LBS)	Event Tag
5:45:00	0	0	0	0	0	0	0	0	0	On Location
5:55:00	0	0	0	0	0	0	0	0	0	Spotting Location
6:35:00	0	0	0	0	0	0	0	0	0	Rigging Up
7:50:00		0	0	0	0	0	0	0	0	Primed up pressure test
8:09:00	0	0	0	0	0	0	0	0	0	Safety meeting
8:27:00	2032	0	0	0	0	0	0	0	0	Load & break
8:38:00	2066	5	5	44	0	0	0	0	0	15%HCL 24Bbls
8:43:00	1664	5	5	68	0	0	0	0	0	Acid flush
8:45:00	1650	5	5	99	0	0	0	0	0	Shut down
8:47:00	769	0	0	99	0	0	0	0	0	Acid flush 585psi
8:50:00	780	5	5	107	0	0	0	0	0	Pad
8:56:00	1280	23	25	132	0	0	0	0	0	.25# Sand Slug
9:01:00	960	36	36	319	.25	700	0	0	0	1# Sand
9:08:00	769	36	38	557	1	8492	0	0	0	2# Sand
9:13:00	767	35	38	719	2	21169	0	0	0	3# Sand
9:17:00	752	34	38	889	3	37958	0	0	0	4# Sand
9:21:00	709	33	38	1014	4	51009	0	0	0	5# Sand
9:23:00	665	32	38	1084	5	63184	0	0	0	6# Sand
9:25:00	656	30	38	1219	6	76808	0	0	0	Flush
9:27:00	673	37	38	1288	0	76808	0	0	0	S/D
9:40:00	0	0	0	0	0	0	0	0	0	Turn Over to wireline

Fluid to recover: 1,264 bbls

Proppant: 76,808 lbs

MAX Pressure Enc.: 2,070 psi

Final FG: 0.89 psi/ft

Net Pressure Increase: 782 psi

Average Rate: 38.0 bpm

Rate on Pad: 38.0 bpm

Rate on Sand: 38 bpm

Rate on Flush: 26 bpm

Flush Density: 8.43 lb/gal

Avg Treating Pressure: 973 psi

Pressure on Pad: 1,280 psi

Pressure on Sand: 752 psi

Pressure on Flush: 673 psi

Final ISIP: 596 psi

5 min ISIP: 548 psi

10 min ISIP: 529 psi

15 min ISIP: 518 psi