

**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.*

5. Lease Serial No.  
NOG-9309-1250

6. If Indian, Allottee or Tribe Name  
Navajo

**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. NMNM91265
2. Name of Operator Pro NM Energy, Inc.		8. Well Name and No. Gracia Navajo 5K # 2S
3a. Address 460 St. Michael's Drive, Building 300, Suite 402 Santa Fe, NM 87505	3b. Phone No. (include area code) 505/988-4171	9. API Well No. 30-045-33471
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1275' FNL; 1620' FWL (NENW) Section 5-T25N-R11W		10. Field and Pool or Exploratory Area Basin Fruitland Coal
		11. 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 checked="" 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 type="checkbox"/> Other _____
	<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 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 must 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 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 Gracia Navajo 5K # 2S first delivered production as follows:

Date of 1st Delivery: 3/13/08  
Length of Test: 24 hours  
Production Method: Pumping  
Production Rate: 0 MCF/D, 3 BWPD, 0 BOPD  
Witnessed By: Tim Merilatt  
Well Status: Producing

RCVD APR 30 '08  
OIL CONS. DIV.  
DIST. 3

ACCEPTED FOR RECORD

APR 29 2008

CM

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 <i>Carla S. Shaw</i>		Date 04/24/2008

**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 *AS*