

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5 Lease Serial No.
NMNM-100305

1a Type of Well Oil Well Gas Well Dry Other
b Type of Completion. New Well Work Over Deepen Plug Back Diff. Resvr.,
Other _____

6 If Indian, Allottee or Tribe Name
N/A

7 Unit or CA Agreement Name and No.
Needs CA

2 Name of Operator
Maralex Resources Inc.

8 Lease Name and Well No.
Trading Post 27 #2T

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

3a Phone No (include area code)
(970) 563-4000

9 AFI Well No
30-045-34698 -0051

4 Location of Well (Report location clearly and in accordance with Federal requirements)

RECEIVED

10. Field and Pool or Exploratory
Basin Fruitland Coal

1300' FSL & 1300' FWL (SWSW)

At surface

Same as above

At top prod interval reported below

At total depth 1565'

OCT 14 2008

Bureau of Land Management
Farmington Field Office

11. Sec., T., R., M., on Block and
Survey or Area Sec 27, T25N, R11W, NMPM
(SWSW)

12. County or Parish
San Juan County

13. State
NM

14. Date Spudded
09/04/2008 8:30:08

15 Date T.D. Reached
09/03/2008

16. Date Completed 09/13/2008
 D & A Ready to Prod

17. Elevations (DF, RKB, RT, GL)*
6666' GL

18 Total Depth: MD 1565'
TVD

19. Plug Back T D.. MD 1551'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL, GR, CCL

22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

23 Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.25"	8 5/8" K-55	24#	Surface	137' 132'		120sx Type G		Surface	
7 7/8"	5 1/2" J-55	45.5#	Surface	1565' 1561'		175 sx 65/35		Surface	
		17#				Pozmix & 100sx			
						Type G			

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875"	1532'							

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Basin Fruitland Coal	1332'	1348'	1334-1346	0.42"	4JSPF	Open
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
1334'-1346'	Acidize wit 500 gallons 7.5% HCL followed by 500 gallons of 12/3 mud acid'
	Fracture stimulate as follows: 12,054 gallons pad, 8151 gallons w/0.5 ppg sand, 8372 gallons w/1ppg sand, 8597 gals w/2 ppg sand, 9056 gallons w/3 ppg sand, 8198 gallons w/4ppg sand, 3880 gallons w/5 ppg sand, 1106 gallons flush. Pumped 58,308 gallons of 13cp Delta 140s/SWNT frac fluid at ave rate of 29.4 BPM and (continued under #32)

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
*ASAP			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD
OCT 14 2008
FARMINGTON FIELD OFFICE
BY T. Sayers

NMOCD 90

28b. Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg. SI	Csg. Press	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29 Disposition of Gas (Solid, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):
 Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Basin Fruitland coal	1332'				
Pictured Cliffs	1360'				

32. Additional remarks (include plugging procedure):
 Fracture Stimulating report continued from #27;
 avg WHTP of 758 psig. pump 1107 sks of 16/30 BASF with a max sand conc of 5.62 ppg. Coated 951 sks w/SWNT at 2 gal/Mlbs. Max treating pressure was 1016 psig. Final frac gradient was 0.81 psi/ft. 98,626 # of sand placed into formation. 1308 bbls load to recover. ISIP=559, 10 min=317, 15 min=271 psig

33. Indicate which items have been attached by placing a check in the appropriate boxes:

Electrical/Mechanical Logs (1 full set req'd)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Bob L. Bixler Title Regulatory & Special Operations Engineer
 Signature [Signature] Date 10/14/2008

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.