

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget/Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. NO-G-9405-1259	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. REINFR. <input type="checkbox"/> Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Uska-Ya e-Wood	
2. NAME OF OPERATOR Maralex Resources, Inc.		7. UNIT AGREEMENT NAME MMNM101802	
3. ADDRESS OF OPERATOR P.O. Box 338, Ignacio, CO 81137		8. FARM OR LEASE NAME Gracia Navajo	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1850' FNL; 2400' FEL At top prod. interval reported below At total depth <i>27 #1</i>		9. WELL NO. 27 #1	
14. PERMIT NO. 30-045-29894		DATE ISSUED	
15. DATE SPUDDED 4/19/99		16. DATE T.D. REACHED 4/23/99	
17. DATE COMPL. (Ready to prod.) 6/22/99		18. ELEVATIONS (OF, RKB, RT, OR, ETC.)* 6672' GL; 6677' KB	
19. ELEV. CASINGHEAD		20. TOTAL DEPTH, MD & TVD 1567'	
21. PLUG, BACK T.D., MD & TVD 1518'		22. IF MULTIPLE COMPL., HOW MANY*	
23. INTERVALS DRILLED BY		ROTARY TOOLS	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Basin Fruitland Coal 1242'-1435'		25. WAS DIRECTIONAL SURVEY MADE Yes	
26. TYPE ELECTRIC AND OTHER LOGS RUN CBL, Compensated Neutron Log, Gamma Ray		27. WAS WELL CORRED No	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
8-5/8"	24#	175'	12-1/4"
5-1/2"	15.5#	1564.08'	7-7/8"
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
30. TUBING RECORD			
SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2-7/8"	1460'		
31. PERFORATION RECORD (Interval, size and number)			
See Attachment <i>Rec'd 7.27.99</i>			
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
		See Attachment <i>SWF</i>	
33. PRODUCTION			
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Swabbing	
WELL STATUS (Producing or shut-in)			
DATE OF TEST	HOURS TESTED	CHOKES SIZE	PROD'N. FOR TEST PERIOD
	24	open	
OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
-	TSTM	250	
LOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL GRAVITY-API (CORR.)
12	12		
14. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)			
TEST WITNESSED BY Dennis Reimers			
15. LIST OF ATTACHMENTS Perforation and Frac Information Attached			
16. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED <i>Paul J. Shaw</i>		TITLE Production Technician	
DATE 07/23/99			

*(See Instructions and Spaces for Additional Data on Reverse Side)

MARALEX RESOURCES, INC.

GRACIA NAVAJO 27 # 1

REPORT DATE: 06/04/99

Rig up wireline mast truck. Nipple up E-line flange and pack-off. Tie in nitrogen truck to pack-off valve. R.I.H. with 3-3/8" gun. Set up to perforate 1415'-1431' (16') with 4 SPF, 90 degree phasing. Get on depth with gun, pressure up to 3800# on casing with nitrogen. Fire gun. Pressure dropped to 2,000#. Pump in with nitrogen at 2700 SCF/M at 1800# for 2 minutes. Shut down. Bled down well. P.O.O.H. with gun. Rig down mast truck and nitrogen truck. Shut in frac valve.

REPORT DATE: 06/18/99

Move in and rig up frac equipment. Pressure test lines to 8000psi-OK. Gel tanks to 20# gel loading. Average viscosity = 17 cp. Test pop-off - goes off at 4000psi. Pump ball-off treatment with 128 7/8" soluble ball sealers. (100% excess). Drop balls in 500 gallons 12-3 mud acid. Saw 500 psi pressure breaks (1300 psi-800psi). Flush with KCl water. Shut down 2 hours to let ball sealers dissolve. Frac Fruitland Coals from 1415-1431' as follows:

Pump 14,000 gallons 20# X-link pad
Pump 6,000 gallons 20# X-link with 1 PPG 16-30 Arizona Sand
Pump 5,000 gallons 20# X-link with 2 PPG 16-30 Arizona Sand
Pump 5,000 gallons 20# X-link with 3 PPG 16-30 Arizona Sand
Pump 4,000 gallons 20# X-link with 4 PPG 16-30 Arizona Sand
Pump 3,000 gallons 20# X-link with 5 PPG 16-30 Arizona Sand
Pump 3,000 gallons 20# X-link with 6 PPG 16-30 Arizona Sand
1246 gallon water flush.

Placed 83,640# 16-30 Arizona Sand. At average treating rate of 39 BPM at an average treating pressure of 2480 psi.

ISIP = 590 psi, 5 minutes = 490 psi, 10 minutes = 430 psi, 15 minutes = 380 psi.

Leave well shut in remainder of day and overnight.

Rec'd 7/27/99