

Well Name: GRACIA FEDERAL 26	Well Location: T25N / R11W / SEC 26 / NWSW / 36.369443 / -107.97926	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: OTHER	Allottee or Tribe Name:
Lease Number: NMNM036252	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004529489	Well Status: Producing Gas Well	Operator: MARALEX RESOURCES INCORPORATED

Subsequent Report

Sundry ID: 2732128

Type of Submission: Subsequent Report	Type of Action: Cement Remediation
Date Sundry Submitted: 05/23/2023	Time Sundry Submitted: 08:46
Date Operation Actually Began: 04/24/2023	

Actual Procedure: Cement squeeze

SR Attachments

- Actual Procedure
- 2023.04.24_Gracia_Federal_26_1_Squeeze_Pressure_Chart_20230523084556.pdf
 - 2023.04.24_Gracia_Federal_26_1_Squeeze_20230523084554.pdf
 - Wellbore_Diagram_Gracia_Federal_26_1_20230523084552.pdf
 - 2023.04.24_Gracia_Federal_26_1_Squeeze_Job_Cement_ticket_20230523084552.pdf

Received by OCD: 5/23/2023 8:48:53 AM

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Well Name: GRACIA FEDERAL 26	Well Location: T25N / R11W / SEC 26 / NWSW / 36.369443 / -107.97926	County or Parish/State: SAN JUAN / NM
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Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: PATRICIA HARRISON	Signed on: MAY 23, 2023 08:45 AM
Name: MARALEX RESOURCES INCORPORATED	
Title: Permitting Specialist	
Street Address: 775 GODDARD	
City: IGNACIO	State: CO
Phone: (970) 759-9545	
Email address: TRISHHARRISON@EIS-LLC.COM	

Field

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

Trish Harrison

From: Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Sent: Monday, April 24, 2023 9:15 AM
To: Rennick, Kenneth G; Trish Harrison
Cc: Phoebe Bechtolt; amo@maralexinc.com
Subject: RE: [EXTERNAL] FW: Gracia Federal 26-1 (30-045-29489)

Hello Trish

Thank you for the notice

NMOCD approval is given to do hesitation squeeze. Please add all of email train to subsequent.

Monitor casing strings during squeeze.

A charted MIT is required on casing after squeeze. Please notify NMOCD 24 hours prior testing.

Bradenhead test required 30 days after rig move.

Thank you

Monica Kuehling
Compliance Officer Supervisor
Deputy Oil and Gas Inspector
New Mexico Oil Conservation Division
North District
Office Phone: 505-334-6178 ext. 123
Cell Phone: 505-320-0243
Email - monica.kuehling@emnrd.nm.gov

From: Rennick, Kenneth G <krennick@blm.gov>
Sent: Monday, April 24, 2023 9:04 AM
To: Patricia Harrison <trishharrison@eis-llc.com>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>
Cc: Phoebe Bechtolt <pbechtolt@maralexinc.com>; amo@maralexinc.com
Subject: Re: [EXTERNAL] FW: Gracia Federal 26-1 (30-045-29489)

Thank you, Trish. Per our phone conversation, the procedure is appropriate.

Please include this email conversation with the subsequent.

Kenny Rennick

Kenneth (Kenny) Rennick

Petroleum Engineer

Bureau of Land Management
Farmington Field Office
6251 College Blvd
Farmington, NM 87402

Email: krennick@blm.gov

Mobile & Text: 505.497.0019

From: Trish Harrison <trishharrison@eis-llc.com>

Sent: Monday, April 24, 2023 8:43 AM

To: Rennick, Kenneth G <krennick@blm.gov>; Kuehling, Monica, EMNRD <monica.kuehling@emnrd.nm.gov>

Cc: Phoebe Bechtolt <pbechtolt@maralexinc.com>; amo@maralexinc.com <amo@maralexinc.com>

Subject: [EXTERNAL] FW: Gracia Federal 26-1 (30-045-29489)

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Kenny/Monica –

Maralex Resources is on the Gracia Federal 26-1 doing the refrac job. They found a hole in the casing at about 300'. The plan is to do a cement squeeze after they complete the clean out from the frac.

The cement job plan is to do the following steps:

1. Pick up a tubing set retrievable bridge plug and trip in hole to 700'.
2. Set bridge plug and TOH to LD retrieving head. Drop one bucket of frac sand on top of Bridge plug down casing, slowly.
3. Trip in hole open ended to 330' with tubing.
4. Rig up a cementing truck and hook onto tubing. Mix and pump approximately 6 sacks of Class B cement with 2% CaCl₂ down tbg. Displace with 0.7 Bbls of water.
5. Immediately trip out of hole with tubing and pump water down casing to hesitation squeeze cement into hole in casing pumping no more than a half bbl at a time. Wait 15 minutes between pump times. Do not pump more than a total of 3.5 bbls. Press up to 1000 psi max. When press does not fall below 800 psi in 15 min shut well in for cement to set up overnight.
6. After WOC, pick up bit, bit sub, and trip in hole w/drill collars, cross-over and tubing and tag top of cement. Pick up power swivel and start drilling cement. If cement drills faster than one minute per foot, shut down and wait on cement (WOC) some more.
7. Once cement is drilled out, shut pipe rams and pressure test casing to 1000 psi for ten minutes. Report results to office.

8. After a good pressure test, TOH and LD cross-over, drill collars, bit sub and bit.
9. Pick up retrieving head and TIH to top of RBP. Reverse sand off of RBP and latch onto it. Release RBP and trip out of hole. LD retrievable bridge plug (RBP).

Notes:

- When doing the hesitation squeeze, if no pressure builds while pumping the half barrel displacement, shut down anyway and wait 15 minutes, then pump another half barrel. Eventually, the cement will start to set up even if you don't have much pressure to start with. If it is on a vacuum, make sure you shut down the pump and close the valve so no more water can be sucked into the casing, then wait 30 minutes or longer before opening it again. Watch your pit closely to make sure that no more than 3.5 barrels goes into the casing while doing the hesitation squeeze.
- If cement returns are soft wait at least six more hours for cement to set. May have to shut down overnight again.

Once this is completed and the frac job is complete, I will file a subsequent report.

thanks

Have a great day!

Trish Harrison

Permitting Specialist

970-759-9545

EIS, Environmental & Permitting Solutions

on behalf of

Maralex Resources, Inc

Vision Energy, LLC

From: amo@maralexinc.com <amo@maralexinc.com>

Sent: Sunday, April 23, 2023 9:37 PM

To: Trish Harrison <trishharrison@eis-llc.com>

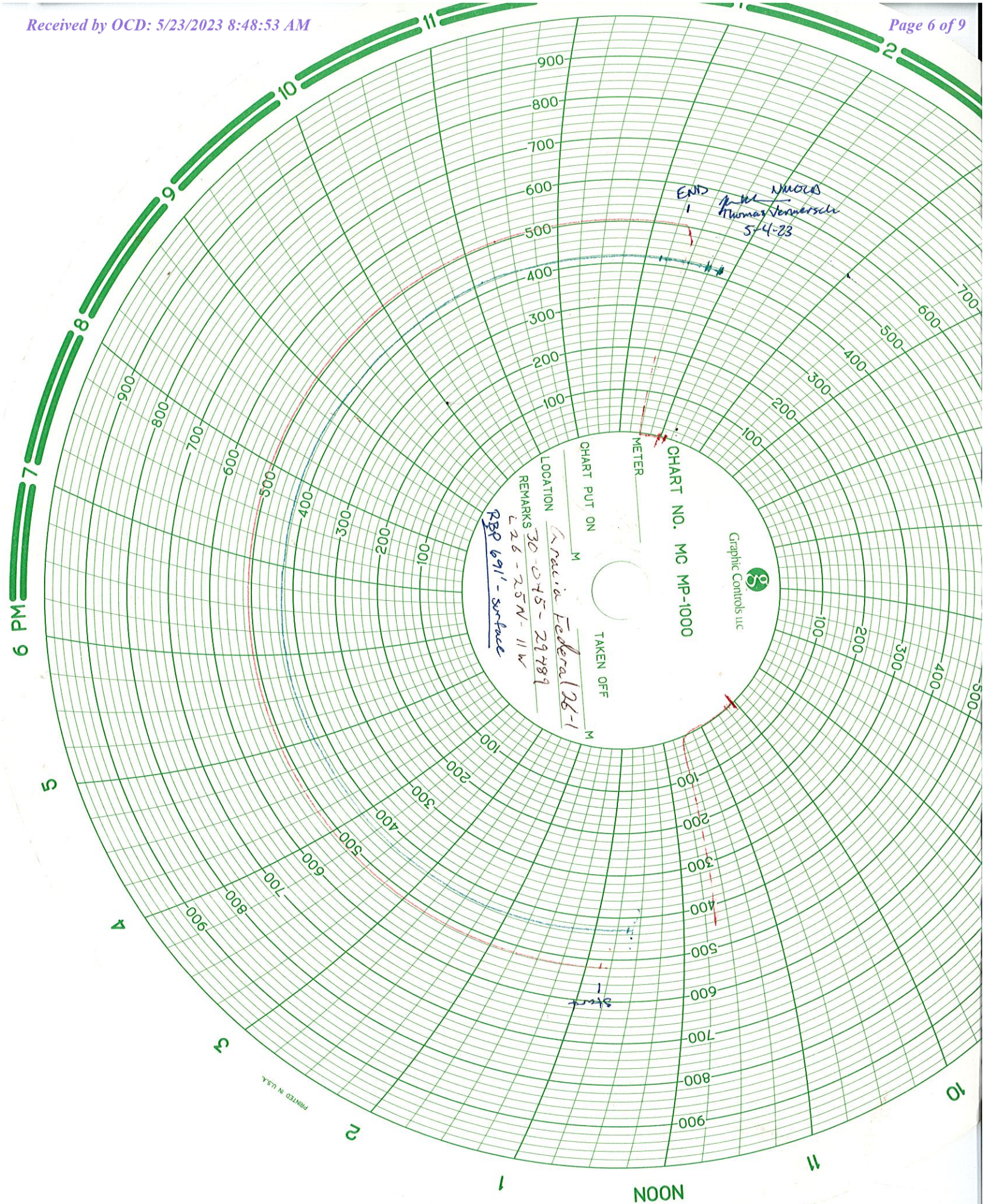
Subject: Gracia Federal 26-1

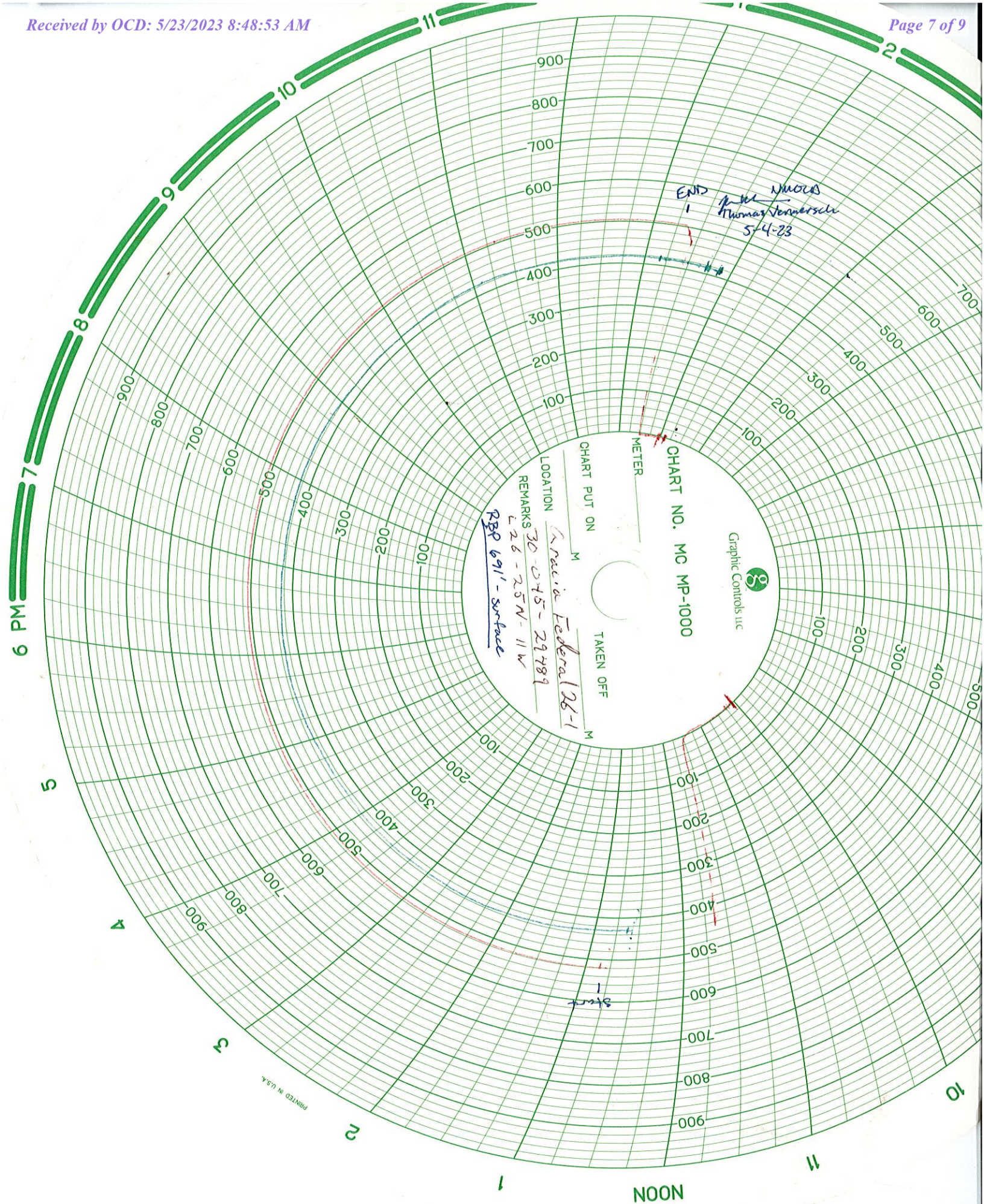
Hey Trish,

We had some problems with the frac on the subject well. We couldn't get a good pressure test on our casing and found a hole at about 300'. We frac'ed down a 2-3/8" frac string below a packer and are planning to repair the casing with a cement squeeze as shown on the attached procedure after we clean out from the frac. Would you please make sure the proper authorizations are secured for us, asap, to get this work done. I think it is just a matter of a sundry notice to the BLM and the BIA but the NMOCD may be involved, as well.

Please let me know if you have any questions.

Thanks,
Mickey





Wellbore Diagram: Gracia Federal #26-1

Ground Surface

Surface Casing:

- 8 3/4" dia. hole drilled depth: 144' KB
- 7" 23 lb/ft, J-55 Csg set at 134' KB
- TOC: Surface (Circ'd 4 bbls cmt to surf) Cmt'g: 80 sks (94.4 cf) Class G w/ 2% CaCl₂ and 1/4 #/sk cello flakes.

Cement Plug: 335' - 243' KB**Production Casing Repair:**

- Casing holes @ 300' KB;
- Sqz Cmt: 335' - 243' KB
- 12 sks (13.8 cf) Class G
- Pass Press Tstg @ 1500 psi

Production Casing:

- 6 1/4" dia. hole drilled depth: 1676' KB (TD)
- 4 1/2" dia, 10.5 lb/ft, J-55 Csg set at depth: 1675' KB
- TOC: Surface (Circ'd 40 bbls cmt to surf.) Cmt'g lead: 150 sks (309 cf) Class G w/ 2% Sodium MetaSilicate & 1/4 #/sk cello flakes, tail: 150 sks (177 cf) Class G w/ 2% CaCl₂ & 1/4 #/sk cello flakes.

Fruitland Coal Formation
Perforations: 1494' - 1512'

Oil & Gas Producing Zone

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 212077

CONDITIONS

Operator: MARALEX RESOURCES INC P.O. Box 338 Ignacio, CO 81137	OGRID: 13998
	Action Number: 212077
	Action Type: [C-103] Sub. Workover (C-103R)

CONDITIONS

Created By	Condition	Condition Date
andrew.fordyce	Accepted for record.	7/30/2025