Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

NOV 08 2011 5. Lease Serial No SF - 078621

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to referriterian Field Of					6. If Indian, Allottee or Tribe Name			
Do not use this i abandoned well.	orm for proposals : Use Form 3160-3 (A	to ariii or to NPD) for su	re-entega ch'propos	n Field Off als.Manage	ice men			
SUBMIT IN TRIPLICATE – Other instructions on page 2					7. If Umt of CA/Agreement, Name and/or No.			
1. Type of Well					8. Well Name and N	0		
Oil Well Gas Well Other				Brookhaven A #2				
Name of Operator Maralex Resources, Inc. 3a. Address 3b. Phone No. (include area code)					9 API Well No 30-045-05215			
3a. Address PO Box 338, Ignacio, CO 81137	(include area c)	rode)	10. Field and Pool or Exploratory Area Fruitland Coal					
4. Location of Well (Footage, Sec., T.R.M., or Survey Description) 790 FSL, 1650 FEL S29-T25N-R10W					11. Country or Parish, State San Juan, NM			
12. CHEC	CK THE APPROPRIATE BO	OX(ES) TO IND	ICATE NATU	RE OF NOTIC	E, REPORT OR OT	HER DATA		
TYPE OF SUBMISSION			Т	YPE OF ACT	ION			
Notice of Intent	Acidize Alter Casing	Deep Fract	en ure Treat	=	uction (Start/Resume) unation	Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair	=	Construction	_	mplete	Other		
Final Abandonment Notice	Change Plans Convert to Injection	Plug	and Abandon Back	'	orarily Abandon r Disposal			
A plug and abandon procedure is al complete are also attached. Marale		plug the well a	ccording to the	e attached pro		er the plug and abandonmer	nt is	
	Notify NMOCD 24 hrs prior to beginning			inning				
• Operations				ons		OIL CONS. DIV.		
						DIST. 3		
14 I hereby certify that the foregoing is to	rue and correct Name (Printe	ed/Typed)	1					
	Title Engineering Manager							
Signature D. N. N	EIMERS		Date //	7/11				
	THIS SPACE	FOR FEDE	RAL OR S	TATE OF	FICE USE			
Approved by Original Signed	l: Stephen Mason		m at			Date NOV 1 5 2011		
Conditions of approval, if any, are attached that the applicant holds legal or equitable t						Date NUV 15 2311		

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)

entitle the applicant to conduct operations thereon

PLUG AND ABANDONMENT PROCEDURE

October 20, 2011

Brookhaven A #2 Basin Fruitland Coal

790' FSL, 1650' FEL, Section 29, T25N, R10W, San Juan County, New Mexico API 30-045-05215 / Lat/Long: 36.366943/107.915985

Note:

All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

- 1. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus site and to handle waste fluids circulated from the well and cement wash up.
- Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety
 regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on
 location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well.
 Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND
 wellhead and NU BOP. Function test BOP.

3.	Rods: Yes , No_X_, Unknown
	Tubing: Yes X, No , Unknown, Size 2.375", Length 1581'
	Packer: Yes, No_X_, Unknown, Type
	If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified if a CBL is required.

1240

- 4. Plug #1 (Pictured Cliffs top and Fruitland interval, 1538'-1325'): Round trip 5.5" gauge ring to 1538'. RIH and set 5.5" wireline CIBP at 1538'. Attempt to pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as necessary. Spot 20 sxs Class B cement inside casing to cover through the Fruitland top. TOH with tubing.
- 5. Plug #2 (Kirtland and Ojo Alamo tops, 918' 690'): Perforate 3 squeeze holes at 918'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 5.5" cement retainer at 868'. Establish rate into squeeze holes. Mix and pump 130 sxs cement, squeeze 98 sxs outside the 5.5" casing and leave 32 sxs inside the casing to cover through the Ojo Alamo top. TOH and LD tubing.
- 6. Plug #3 (10.75"casing shoe and surface, 252' Surface): Perforate 3 squeeze holes at 252'. Establish circulation out the bradenhead valve with water. Mix and pump approximately 120 sxs cement down the 5.5" casing to circulate good cement out annulus valve. Shut well in and WOC.
- 7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Brookhaven A #2

Current

Basin Fruitland Coal

790' FSL, 1650' FEL, Section 29, T-25-N, R-10-W,

San Juan County, NM / API #30-045-05215 Lat/Long: 36.366943/107.915985

Today's Date: 10/20/11 Spud: 5/5/57 13.75" hole 10.75", 32.75# Casing set @ 172' GI Completed. 8/11/157 Cement with 150 sxs (Circulated to Surface) FtC Completed 8/29/97 Elevation: 6716' GR 6726' KB Ojo Alamo @ 740' 2-3/8" tubing at 1581' Kirtland @ 868' Fruitland @ 1385' CBL run 2008. Operator said poor cement above Fruitland top. Fruitland Coal Perforations: 1588' - 1598' Pictured Cliffs @ 1602' Perforate @ 1629' (1997) Mesaverde @ 2400' Perforate @ 2600' (1997) TOC @ 3750' (T.S.) Gallup @ 5070' Set CIBP @ 5120' (1997) Gallup Perforations: 5241' - 5286' Dakota @ 8111' 8 75" hole 5 5" 15 5#, J-55 Casing set @ 5350' Cement with 300 sxs

> TD 5350' PBTD 1625'

Brookhaven A #2

Proposed P&A

. Basin Fruitland Coal

790' FSL, 1650' FEL, Section 29, T-25-N, R-10-W,

San Juan County, NM / API #30-045-05215 Lat/Long: 36.366943/107.915985

Today's Date. 10/20/11

Spud. 5/5/57

13 75" hole

GI Completed: 8/11/157 FtC Completed 8/29/97

Elevation. 6716' GR 6726' KB

Ojo Alamo @ 740'

Kırtland @ 868'

Fruitland @ 1385'

Pictured Cliffs @ 1602

Mesaverde @ 2400'

Gallup @ 5070'

Dakota @ 8111'

8.75" hole

10.75", 32.75# Casing set @ 172' Cement with 150 sxs (Circulated to Surface) Perforate @ 252' Set CR @ 868' Perforate @ 918' CBL run 2008 Operator said poor cement above Fruitland top. Set CIBP @ 1538' Fruitland Coal Perforations: 1588' - 1598' Perforate @ 1629' (1997) Perforate @ 2600' (1997) TOC @ 3750' (T S.) Set CIBP @ 5120' (1997) Gallup Perforations 5241' - 5286'

Plug #3: 252' - 0'

Class B cement, 120 sxs

Plug #2: 918' - 690'

Class B cement, 130 sxs: 32 inside and 98 outside

Plug #1: 1538' - 1335'

Class B cement, 29 sxs

5 5" 15.5#, J-55 Casing set @ 5350' Cement with 300 sxs

TD 5350' **PBTD 1625**'

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of Intention to Abandon:

Re: Permanent Abandonment

Well: 2 Brookhaven A

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
- 3. The following modifications to your plugging program are to be made:
- a) Bring the top of the Fruitland plug to 1240'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.