

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

2005 OCT 28 AM 10 58

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: November 30, 2000

**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.*

RECEIVED  
OCTOBER 28 2005  
FARMINGTON, NM

5. Lease Serial No.  
NMSF 078673  
6. If Indian, Allottee or Tribe Name  
7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
M&G Drilling Company, Inc.

3a. Address  
PO Box 5940, Farmington, NM 87499

3b. Phone No. (include area code)  
(505) 325-6779

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2400' FNL 1305' FWL (E) SEC. 3 T27N R11W

8. Well Name and No.  
SCHLOSSER #101

9. API Well No.  
30-045-32581

10. Field and Pool, or Exploratory Area  
Basin Fruitland Coal

11. County or Parish, State  
San Juan, New Mexico

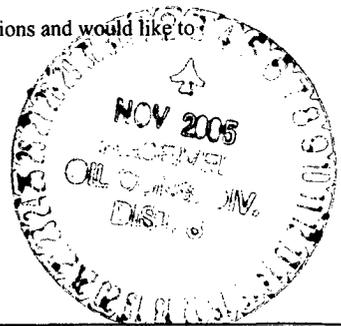
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 checked="" 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 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

M&G Drilling Company Inc., request that APD approval be extended 1 year due to change in operations and would like to further review the drilling procedure for this well.

- This approval expires: NOV 29 2005



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Angela Jaramillo	Title Production Assistant
Signature <i>Angela Jaramillo</i>	Date 10/26/2005

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by <i>Adrienne Brunley</i>	Title Pet. Eng	Date 11/1/05
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 operation thereon.	Office FFO	

Title 18 U.C.S. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.