Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR ED BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135

Budget Bureau No. 1004-013: Expires: March 31, 1993

 Lease Designation and Serial No. NMSF078863

SUNDRY NOTICES AND REPORTS ON WELL	SUNDRY	RY NOTICES	AND REP	PORTS	ON WELL
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Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

D REPURIS ON WELLS

6. If Indian, Allottee or Tribe Name

Use "APPLICATION FOR PERMIT - -" for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 1. Type of Well RCVD FEB21'07 Oil Gas 8. Well NAUL ACRYS. DIV. Well Well 2. Name of Operator Krause No. 22S 9. API Well No. M & G Drilling Company, Inc. 3. Address and Telephone No. 30-045-32495 P. O. Box 5940 Farmington, NM 87499 (505) 325-6779 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) **Basin Fruitland Coal** 11. County or Parish, State 1295' FNL 1145' FEL Section 32, T28N, R11W San Juan County, New Mexico

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	Abandonment	Change of Plans				
	Recompletion	New Construction				
X Subsequent Report	Plugging Back	Non-Routine Fracturing				
	Casing Repair	Water Shut-off				
Final Abandonment Notice	Altering Casing	Conversion to Injection				
	X Other Spud well.	Dispose Water				

Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spud well at 10:00 AM on 2/7/07. Drilled 12 1/4" hole to 226' KB. Ran 5 jts of 8 5/8", 23#, LS casing. Casing landed at 217' KB. Cemented surface casing with 150 sx (178.5 cf) of Type 5 cement containing 2% CaCl and 1/4 #/sk cello flakes. Circulated 10 bbls of cement

to surface. Submit PT on next sundry Csq grade?

FIB 1 5 2007

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

Signed Wave J. Well-well Title Agent Date 12-Feb-07

(This space for Federal or State office)

Approved by Title Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.