

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Pro NM Energy, Inc.

3. Address and Telephone No.

460 St. Michael's Dr., Suite 300 Santa Fe, NM 87505 (505) 988-4171

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1275' FNL & 1620' FWL
Section 5, T25N, R11W

5. Lease Designation and Serial No.

NOG-9309-1250

6. If Indian, Allottee or Tribe Name

RCVD MAR2'07

OIL CONS. DIV.

7. If Unit or CA, Agreement Designation

DIST. 3

8. Well Name and No.

Gracia Navajo 5K No. 2S

9. API Well No.

30 - 04S - 33471

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan County, NM

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud well.

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completions on Well 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 8:45 AM on 2/22/07. Drilled 8 3/4" hole to 145' KB. Ran 3 jts of 7", 20#, J-55 casing. Casing landed at 142' KB. Cemented with 60 sx (71.4 cf) of Type 5 cement containing 2% CaCl and 1/4 #/sk cello flakes. Circulated 4.5 bbls of cement to surface.

ACCEPTED FOR RECORD

FEB 28 2007

FARMINGTON FIELD OFFICE

TL Salvetti

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

Signed Dana S. Delmuth Title _____ Agent _____ Date 2/26/2007

(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.

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