FORM APPROVED Form 3160-5 UNITED STATES Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR (August 1999) Expires. November 30, 2000 BUREAU OF LAND MANAGEMENT Lease Senal No SF 078481A SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE Other instructions on reverse side Well Name and No Type of Well Oil Well Other Graham 10 #7 ☑ Gas Well Name of Operator API Well No 30-045-32728 M&G Drilling Company, Inc. NM OGRID # 141852 10. Field and Pool, or Exploratory Area 3b. Phone No. (include area code) Blanco Mesaverde & Otero Chacra PO Box 5940, Farmington, NM 87499-5940 (505) 325-6779 Location of Well (Footage, Sec., T, R, M., or Survey Description) 11. County or Paush, State 790' FNL, 1930' FEL (B) Sec. 10, T27N, R8W San Juan, New Mexico 12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Notice of Intent Production (Start/Resume) Acidize Deepen Alter Casing Fracture Treat Reclamation APD extension √ Other Subsequent Report Casing Repair New Construction Recomplete Plug and Abandon Change Plans Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal scribe 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.) **RCVD OCT 19'07** M&G Drilling Company, Inc is hereby requesting a one year extension on the existing APD. Due to rig availability we were unable to drill this well within the year. This well is scheduled to be drilled in 2008. This is your final ettension. RECE OIL CONS. DIV. OCT 1 8 2007 DIST. 3 **Bureau of Land Management** Famington Field Office proval which expire 02/10/09 Name (Printed/Typed) Rhonda DeVilbiss Title Production Assistant 10/17/07 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Conditions of approval, any, are attached Approval of this notice does not was certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operation thereon 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

Current NMOCD rules and regulations must be met at time

of drilling