Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECE	FORM APPROVED OMB No 1004-0135 Expires Jnovember 30, 2000
DEC 1 0	1508Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS NM 03605 Do not use this form for proposals to drill or reenter an Farmington Field Office nagement 6. I Indian, Allottee or Tube Name RCUD DEC 18'08 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 DIST. 3 Type of Well 8. Well Name and No Oil Well Gas Well Other Marron #42B Name of Operator M&G Drilling Company, Inc. c/o Walsh Engineering 9. API Well No. 30-045-32646 Address Phone No. (include area code) 7415 E. Main, Farmington, NM, 87402 505-327-4892 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) Otero Chacra & Blanco MV 2530'FSL and 1965' FWL, (K) Sec. 22, T27N, R8W 11 County or Parish, State 1530 San Juan County, NM 12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Water Shut-Off Acidize Deepen Production (Start/Resume) Well Integrity Alter Casing Fracture Treat Reclamation Spud & Casing Subsequent Report Casing Repair New Construction Recomplete X Other Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting 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 recompleted Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has detained that the site is ready for final inspection. determined that the site is ready for final inspection.) PRESSURE TEST FOR 4/2" + 7" CASING NEXT REPORT Report 11/23/08 spud 12-1/4" surface hole. Drilled to 238' KB. Ran 5 jts (214.89') of 9-5/8", 36#, J-55, ST&C new casing and set casing at 234' KB. Cemented with 150 sx (180 cu. ft.) of Type 5, 2% CaCl₃ and 1/4 #/sk celloflake. Circulated 5 bbls of good cement to surface. 11/24/08 Nippled up the BOP. Pressure tested the BOP, choke manifold and casing to 250 psi - low and 1500 psi - high both for 30 min. Test held OK. 11/26/08 TD 8-3/4" hole at 2525". Ran 60 jts (\$\frac{2}{2}\$15.76') of 7", 20#, J-55, ST&C production casing and set casing at 2515' KB. Cemented with 275 sx (594 cu.ft.) of Type 5 w/ 2% SMS, CF & gilsonite. Tailed w/ 150 sx (179 cu.ft.) Type 5 w/ CF and gilsonite. Circulated 27 bbls of cement to surface. 11/27/08 TD 6-1/4" hole at 4717' KB. Ran Neutron/Density and Induction logs. Ran 56 jts (2322.29') of 4-1/2", 10.5#, J-55, ST&C casing and set at 4715' KB. Float collar is at 4692' KB and top of liner hanger is at 2381' (134' of overlap into the 7" csg.). Cement with 280 sx (403 cu ft.) of Type 5 50:50 poz, 3% gel and additives. Bump plug to 1000 psi - float held OK. Circulated 10 bbls of cement to surface. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Agent Paul C. Thompson, P.E. Signature Date December 2, 2008 THIS SPACE FOR FEDERAL OR STATE USE Approved by Conditions of approval, if any, are attached Approval of this notice does not warrant or Office certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any