

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 17 2009

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.*

Bureau of Land Management  
Farmington Field Office

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

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No Graham 10 #7
2 Name of Operator M&G Drilling Company.	9 API Well No 30-045-32728
3a Address c/o Walsh Engineering 7415 East Main St. Farmington, NM 87402	10 Field and Pool, or Exploratory Area Basin DK/Blanco MV/Otero Chacra
3b Phone No (include area code) (505) 327-4892	11 County or Parish, State San Juan, New Mexico
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) 790' FNL & 1930' FEL (B) SEC 10, T27N, R8W	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other <u>COMPLETION</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>REPORT</u>
	<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 recompleat 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.)

2/3/09 Drilled float and shoe jt to 6640' KB (new PBTB). Ran CBL/CCI/GR logs. Ran survey at TD - 1/4 degree TOC is at 1780' KB. Pressure test casing to 3,500 psi held OK. Perforated the Dakota from 6526' to 6629' with a total of 17 (0 34") holes. Balled off the Dakota with 1000 gal of 15% HCL and 35 balls below a packer.

2/21/09 Fraced the Dakota with 1746 bbls of borate x-linked gel and 115,000# of 20/40 BASF sand.

2/22/09 Set CIBP at 5000' and PT to 3,500 psi - OK. Perf Point Lookout at 4399 - 4589' with 37 (0 34") holes. Ball off w/ 750 gal of 15% HCL and 70 balls. Frac with 75,000# 20/40 sand in 694 bbls of slick water and 895,512 SCF nitrogen. Set frac plug at 4360' and PT to 3500 psi - OK. Perf Cliff House/Menefee at 3822 - 4280' with 34 (0 34") holes. Ball off with 750 gal of 15% HCL and 70 balls. Frac w/ 63,500# of 20/40 sand in 625 bbls of slick water and 1,209,507 SCF of nitrogen.

3/13/09 Clean out to PBTB with air. Land 198 jts of 2-3/8", 4.7#, J-55 new tubing at 6576' KB.

RCUD MAR 19 '09  
OIL CONS. DIV.  
DIST. 3

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Paul Thompson, P.E.

Title

Agent / Engineer

Signature

*Paul C. Thompson*

Date

3/16/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

Title 18 U.S.C. 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.

APPROVED FOR RECORD

NMOC

MAR 18 2009

FARMINGTON FIELD OFFICE  
BY *SV*