

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

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.

5 Lease Serial No
NMNM-078621
6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator
Maralex Resources, Inc.

3a Address
P O Box 338, Ignacio, CO 81137

3b Phone No (include area code)
970-563-4000

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 29, T25N, R10W (SWSE) 660' FSL, 1840' FEL

BHL: 1941' S, 688' E

7 If Unit of CA/Agreement, Name and/or No
N/A

8 Well Name and No
Brookhaven A 2H

9 API Well No
30-045-34920

10 Field and Pool or Exploratory Area
Basin Fruitland Coal

11 Country or Parish, State
San Juan County, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Set surface casing

13. Describe Proposed or Completed Operation. 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 recompletable 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Surface casing was set on 4/23/2010 as follows:

In 13.5" hole, ran 4 joints of 10-3/4", 45.5#/foot J-55 STC new casing. 3 centralizers were run, one on each collar. PU a 12' landing joint and land casing at 168' KB depth. Pump 10 bbls fresh water spacer followed by 130 sks 15.8 ppg premium class G cement with 3% CaCl2 and 1/8#/bbl celloflake and 1.18 yield. Good circulation throughout job and returned 8 bbls of good cement to reserve pit. Displace with 13 bbls fresh water.

Total depth of 13.5" surface hole = 172'. Pressure test will be reported on next sundry. ✓

RCVD MAY 26 '10
OIL CONS. DIV.
DIST. 3

ACCEPTED FOR RECORD

MAY 21 2010

FARMINGTON FIELD OFFICE
BY SCU

REPORT DATE SPUD

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Doris Ney

Title Production Technologist

Signature

Date 05/18/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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 operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

NMOCD

HALLIBURTON

MARALEX RESOURCES INC

Brookhaven A 2H

San Juan County , New Mexico

Cement Surface Casing

23-Apr-2010

Job Site Documents

The Road to Excellence Starts with Safety

Sold To #: 303695	Ship To #: 303695	Quote #:	Sales Order #: 7324448
Customer: MARALEX RESOURCES INC		Customer Rep:	
Well Name: Brookhaven A	Well #: 2H	API/UWI #:	
Field:	City (SAP): IGNACIO	County/Parish: San Juan	State: New Mexico
Contractor: D & D Drilling	Rig/Platform Name/Num: 1		
Job Purpose: Cement Surface Casing			
Well Type: Development Well	Job Type: Cement Surface Casing		
Sales Person: KIDDOO, JUSTIN	Srvc Supervisor: WOOD, BRANDON	MBU ID Emp #: 412753	

Job Personnel

HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #
GONZALEZ, ARMANDO	3.5	452786	JONES, DAVID Michael	3.5	409749	WOOD, BRANDON M	7	412753

Equipment

HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way
10248068	42 mile	10829467	42 mile	11223557	42 mile		

Job Hours

Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours

TOTAL Total is the sum of each column separately

Job					Job Times				
Formation Name						Date	Time	Time Zone	
Formation Depth (MD)	Top			Bottom		Called Out	23 - Apr - 2010	08:00	MST
Form Type			BHST			On Location	23 - Apr - 2010	11:30	MST
Job depth MD	174.5 ft		Job Depth TVD		134.5 ft	Job Started	23 - Apr - 2010	00:00	MST
Water Depth			Wk Ht Above Floor		8. ft	Job Completed	23 - Apr - 2010	00:00	MST
Perforation Depth (MD)	From			To		Departed Loc	23 - Apr - 2010	00:00	MST

Well Data

Description	New / Used	Max pressure psig	Size in	ID in	Weight lbm/ft	Thread	Grade	Top MD ft	Bottom MD ft	Top TVD ft	Bottom TVD ft
13-1/2" Open Hole				13.5					170.		
Surface Casing	Unknown		10.75	10.05	40.5				170.		

Tools and Accessories

Type	Size	Qty	Make	Depth	Type	Size	Qty	Make	Depth	Type	Size	Qty	Make
Guide Shoe					Packer					Top Plug			
Float Shoe					Bridge Plug					Bottom Plug			
Float Collar					Retainer					SSR plug set			
Insert Float										Plug Container			
Stage Tool										Centralizers			

Miscellaneous Materials

Gelling Agt	Conc	Surfactant	Conc	Acid Type	Qty	Conc	%
Treatment Fld	Conc	Inhibitor	Conc	Sand Type	Size	Qty	

Fluid Data

Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk

Stage/Plug #: 1									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	Fresh Water		10.00	bbl	8.33	.0	.0	.0	
2	Cement	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	130.0	sacks	15.8	1.17	5.01		5.01
	94 lbm	CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)							
	0.125 lbm	POLY-E-FLAKE (101216940)							
	3 %	CALCIUM CHLORIDE - HI TEST PELLET (100005053)							
	5.013 Gal	FRESH WATER							
3	Displacement		13.00	bbl	8.33	.0	.0	.0	
Calculated Values		Pressures		Volumes					
Displacement	13	Shut In: Instant	62 psi	Lost Returns	NO	Cement Slurry	27.1	Pad	
Top Of Cement	Surface	5 Min		Cement Returns	8 BBLs	Actual Displacement	13	Treatment	
Frac Gradient		15 Min		Spacers	10	Load and Breakdown		Total Job	
Rates									
Circulating	2	Mixing	4	Displacement	2.5	Avg. Job			
Cement Left In Pipe	Amount	42 ft	Reason	Shoe Joint					
Frac Ring # 1 @	ID	Frac ring # 2 @	ID	Frac Ring # 3 @	ID	Frac Ring # 4 @	ID		
The Information Stated Herein Is Correct				Customer Representative Signature					

The Road to Excellence Starts with Safety

Sold To #: 303695		Ship To #: 303695		Quote #:		Sales Order #: 7324448	
Customer: MARALEX RESOURCES INC				Customer Rep:			
Well Name: Brookhaven A			Well #: 2H		API/UWI #:		
Field:		City (SAP): IGNACIO		County/Parish: San Juan		State: New Mexico	
Legal Description:							
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.				Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.			
Contractor: D & D Drilling			Rig/Platform Name/Num: 1				
Job Purpose: Cement Surface Casing					Ticket Amount:		
Well Type: Development Well			Job Type: Cement Surface Casing				
Sales Person: KIDDOO, JUSTIN			Srvc Supervisor: WOOD, BRANDON			MBU ID Emp #: 412753	

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Call Out	04/23/2010 08:00							GRAND JUNCTION CALLED CREW AT 0800 AM, 4-23-10
Depart Yard Safety Meeting	04/23/2010 10:00							SAFETY MEETING INVOLVING THE CMT CREW
Crew Leave Yard	04/23/2010 10:05							
Arrive At Loc	04/23/2010 11:25							1- F-450 10829466, 1- RED TIGER PUMP TRUCK 11223557, 1- 400 BULK TRUCK 10248068
Assessment Of Location Safety Meeting	04/23/2010 11:30							ASSESSMENT OF LOCATION INVOLVING THE CMT CREW
Pre-Rig Up Safety Meeting	04/23/2010 12:40							SAFETY MEETING INVOLVING THE ENTIRE CMT/ RIG CREW
Rig-Up Equipment	04/23/2010 12:45							
Pre-Job Safety Meeting	04/23/2010 13:20							SAFETY MEETING INVOLVING EVERYONE ON LOCATION
Start Job	04/23/2010 13:35							TP 174.5 FT, LEAVE 40 FT CEMENT IN PIPE, 10 3/4 40.5 # J-55 CSG, 13.5 OH, CALCULATED 59 PSI TO LIFT PIPE OUT OF HOLE
Test Lines	04/23/2010 13:37		0.5		0.2		1500.0	PRESSURE TEST GOOD TO 1500 PSI

Sold To #: 303695

Ship To #: 303695

Quote #:

Sales Order #:

7324448

SUMMIT Version: 7.20.130

Friday, April 23, 2010 02:19:00

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Pump Spacer 1	04/23/2010 13:42		2		10		15.0	PUMP 10 BBL FRESH WATER SPACER
Pump Cement	04/23/2010 13:47		4		27.1		145.0	130 SKS, 1.18 YLD, 5.01 GAL H2O/SK, 27.1 BBLS @ 15.8 #, 15.5 BBLS H2O REQ (TYPE G, 3 % CALCIUM CHLORIDE, 1/8 # POLYFLAKE)
Pump Displacement	04/23/2010 13:56		2.5		13		30.0	CALCULATED 13.2 BBLS DISPLACEMENT, ACTUALLY PUMPED 13 BBLS ON TANKS MARK TO MARK
Cement Returns to Surface	04/23/2010 13:58				8			CALCULATED SHOULD CIRCULATE 12 BBLS CEMENT RETURNS TO SURFACE, ACTUALLY CIRCULATED 8 BBLS
Shutdown	04/23/2010 14:01						62.0	CALCULATED 52 PSI DIFFERENTIAL WHEN SHUTDOWN, SHUT IN WELL W/ 62 PSI
End Job	04/23/2010 14:03							GOOD CIRCULATION THROUGHOUT THE ENTIRE CMT JOB, NO PIPE MOVEMENT,
Pre-Rig Down Safety Meeting	04/23/2010 14:05							SAFETY MEETING INVOLVING THE CMT/RIG CREW
Rig-Down Equipment	04/23/2010 14:10							
Safety Meeting - Departing Location	04/23/2010 14:55							SAFETY MEETING INVOLVING THE CMT CREW
Depart Location for Service Center or Other Site	04/23/2010 15:00							THANK YOU FOR USING HALLIBURTON, BRANDON WOOD AND CREW

Sold To # : 303695

Ship To # :303695

Quote # :

Sales Order # :

7324448

SUMMIT Version: 7.20.130

Fridav. April 23. 2010 02:19:00

HALLIBURTON

Field Ticket

Field Ticket Number: 7324448		Field Ticket Date: Friday, April 23, 2010	
Bill To: MARALEX RESOURCES INC P.O. BOX 338 IGNACIO, CO 81137		Job Name: Surface Casing Order Type: Streamline Order (ZOH) Well Name: Brookhaven A 2H Company Code: 1100 Customer PO No.: NA Shipping Point: Farmington, NM USA 4109E Main Sales Office: Rocky Mountains BD Well Type: Well Category:	
Ship To: MARALEX RESOURCES INC MARALEX RESOURCES INC 303685 PO BOX 338 IGNACIO, CO 81137			

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
7521	CMT SURFACE CASING BOM	1	JOB	0.00	0.00	0.00		0.00
2	MILEAGE FOR CEMENTING CREW,ZI	84	MI	0.00	5.76	483.84	74%	125.80
	Number of Units	1						
1	ZI-MILEAGE FROM NEAREST HES BASE,/UNIT	84	MI	0.00	9.79	822.36	74%	213.81
	Number of Units	1						
16091	ZI - PUMPING CHARGE	1	EA	0.00	4,935.00	4,935.00	74%	1,283.10
	DEPTH	170						
	FEET/METERS (FT/M)		FT					
76400	ZI MILEAGE,CMT MTLs DEL/RET MIN	42	MI	0.00	3.35	887.82	74%	230.83
	NUMBER OF TONS	6.31						
3965	HANDLE&DUMP SVC CHRg, CMT&ADDITIVES,ZI	140	CF	0.00	5.49	768.60	74%	199.84
	NUMBER OF EACH	1						
100003685	CLASS G / PREMIUM	130	SK	0.00	40.42	5,254.60	74%	1,366.20
101216940	POLY-E-FLAKE	17	LB	0.00	7.84	133.28	74%	34.65
100005053	CALCIUM CHLORIDE HI TEST PLT	5	SK	0.00	251.00	1,255.00	74%	326.30
7	ENVIRONMENTAL CHARGE,/JOB,ZI	1	JOB	0.00	134.00	134.00		134.00
8	IRON SAFETY INSPECTION SURCHARGE /JOB Z	1	JOB	0.00	83.00	83.00		83.00
372867	Cmt PSL - DOT Vehicle Charge, CMT	3	EA	0.00	241.00	723.00		723.00
				Totals	USD	15,480.50	10,759.97	4,720.53

Halliburton Rep:

BRANDON WOOD

Customer Agent:

Halliburton Approval

Field Ticket Number: 7324448

Field Ticket Date: Friday, April 23, 2010

1 of 2

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
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THIS OUTPUT DOES NOT INCLUDE TAXES. APPLICABLE SALES TAX WILL BE BILLED ON THE FINAL INVOICE.
CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ABOVE AND ON THE ATTACHED DOCUMENTS

X _____ **FIELD TICKET TOTAL USD 4,720.53**

Customer Signature

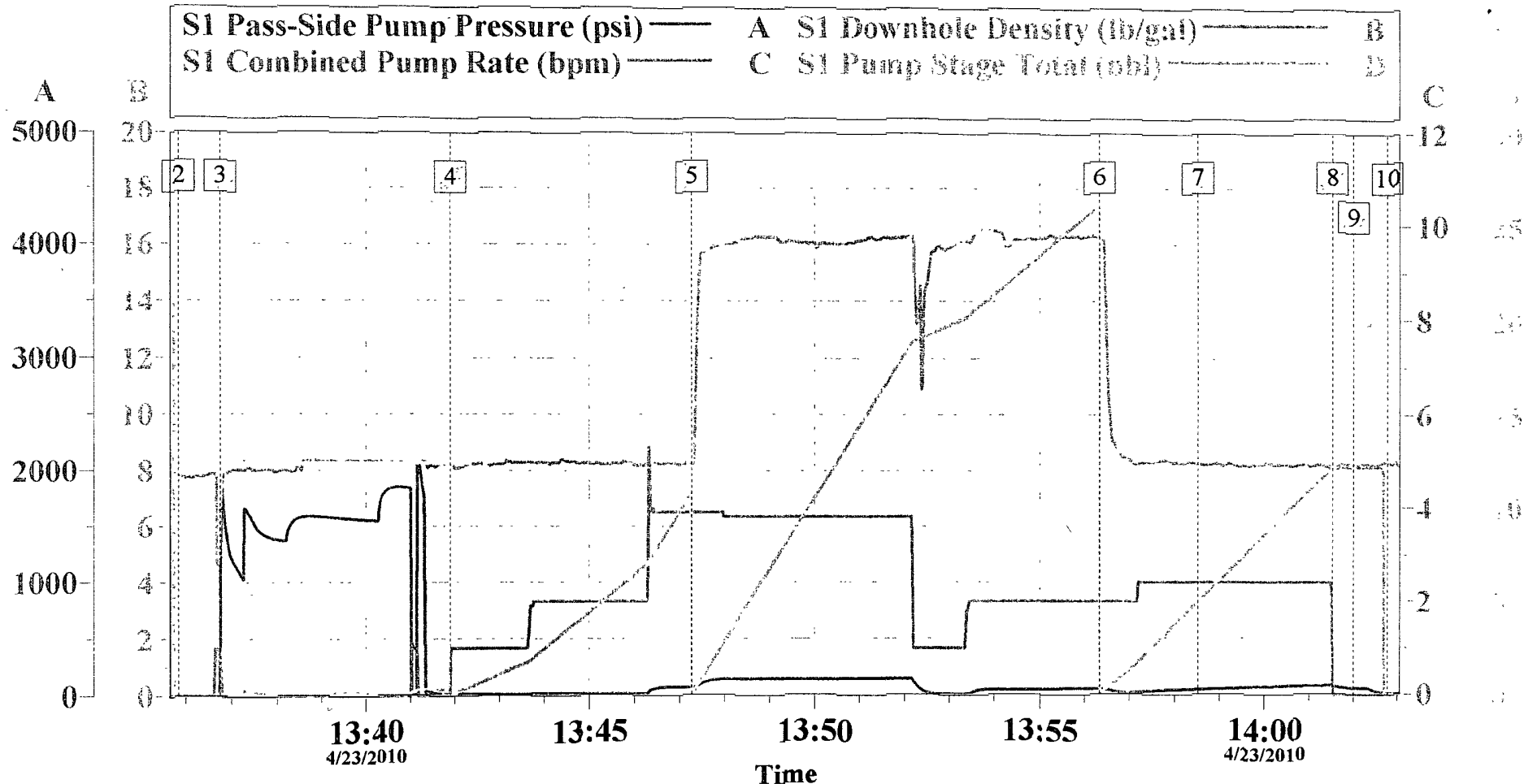
Was our HSE performance satisfactory? **Y or N** Were you satisfied with our Equipment? **Y or N** Were you satisfied with our people? **Y or N**
(Health, Safety, Environment)

Comments

Did we provide job DVA above our normal service today? **Y or N** Hours: _____ Other: _____ Customer Initials _____
Please provide details:

MARALEX

BROOKHAVEN # 2H, SURFACE



Global Event Log

2 Start Job	13:35:50	3 Pressure Test Lines	13:36:45	4 Pump Spacer	13:41:53
5 Pump Cement	13:47:16	6 Pump Displacement	13:56:20	7 Cement Returns to Surface	13:58:31
8 Shutdown	14:01:31	9 Shut In Well	14:02:00	10 End Job	14:02:46

Customer: MARALEX	Job Date: 23-Apr-2010	Sales Order #: 7324448
Well Description: BROOKHAVEN	Job type: SURFACE	ADC Used: YES
Customer Rep: JEREMY GOLOB	Service Supervisor: BRANDON WOOD	Operator/ Pump: ARMANDO GONZALEZ, 11223557

OptiCem v6.3.4
23-Apr-10 14:18

April 27, 2010

Maralex Resources Inc
Po Box 338
Ignacio, CO 81137

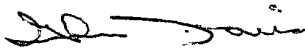
This letter is to certify that D&D Services LLC did run deviation surveys at the below listed depths on your Brookhaven A #2H in San Juan County New Mexico.

145'

1/4

To the best of my knowledge, I swear this information to be true.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Davis", written over a horizontal line.

Glen Davis
Drilling Manager