

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 10611

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARALEX RESOURCES INC PO Box 338 Ignacio, CO 81137		OGRID Number 13998
		API Number 30-045-33059
Property Code 34796	Property Name ATLANTIC 32	Well No. 001A

Surface Location

UL or Lot C	Section 32	Township 31N	Range 10W	Lot Idn C	Feet From 800	N/S Line N	Feet From 1500	E/W Line W	County San Juan
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Proposed Pools

BASIN FRUITLAND COAL (GAS) 71629

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 6103
Multiple N	Proposed Depth 3000	Formation Fruitland Coal	Contractor	Spud Date 05/20/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	500	350	0
Prod	7.875	5.5	15.5	3000	700	0

Casing/Cement Program: Additional Comments

Both sets of casing will be cemented back to surface based on fluid and/or calipers run at total depth.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	1000	Schaffer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Carla Shaw

Title:

Date: 05/04/2005

Phone: 970-563-4000

OIL CONSERVATION DIVISION

Electronically Approved By: Charlie Perrin

Title: District Supervisor

Approval Date: 05/12/2005

Expiration Date: 05/12/2006

Conditions of Approval:

There are conditions. See Attached.