Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

## 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.***

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

RECEIVED
070 FARMINGTON NM

5. Lease Serial No.
NM94826

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CA Pending

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Trading Posr 24 # 2

2. Name of Operator
Maralex Resources, Inc.

9. API Well No.
30-045-32940

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

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

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
800' FSL; 840' FWL
Section 24-T25N-R11W

11. County or Parish, State
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 | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☒ Subsequent Report | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Final Abandonment Notice | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other Set Surface Casing |
| | ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | |
| | ☐ Convert to Injection | ☐ Plug Back | ☐ Water Disposal | |

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 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.)

Drill 12-1/4" hole. Set 8-5/8", 23# new J-55 surface casing, set at 142'KB. Cement casing with 115 sacks Standard cement with 2% CaCl2 and 1/4#/bbl flocele. Displace with 8 bbls water. Circulate approximately 12 bbls cement to surface.

JUN 2005
OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Carla S. Shaw

Title Production Technician

Signature Carla S. Shaw

Date 5/31/05

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

**ACCEPTED FOR RECORD**

Approved by

Title

Date JUN 07 2005

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

**FARMINGTON FIELD OFFICE**
BY

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 JOB SUMMARY

| SALES ORDER NUMBER | TICKET DATE |
|---|---|
| 3741465 | May 29, 2005 |

| REGION | NWA / COUNTRY | BDA / STATE | COUNTY |
|---|---|---|---|
| NORTH AMERICA | ROCKY MOUNTAIN | NM | SAN JUAN |

| MBU ID / EMPL # | H.E.S. EMPLOYEE NAME | PSL DEPARTMENT |
|---|---|---|
| 275055 | JOAQUIN MEZA | ZONAL ISOLATION |

| LOCATION | COMPANY | CUSTOMER REP / PHONE |
|---|---|---|
| FARMINGTON, NM | MARALEX | JEREMY GOLOB #970-799-4278 |

| TICKET AMOUNT | WELL TYPE | API/UWI # |
|---|---|---|
| | 02 GAS | |

| WELL LOCATION | DEPARTMENT | SAP BOMB NUMBER | JOB TYPE |
|---|---|---|---|
| NAPI | ZONAL ISOLATION 10003 | | 8 5/8" SURFACE |

| WELL NAME | Well No. | SEC / | TWP / | RNG |
|---|---|---|---|---|
| TRADING POST 24 | #2 | | | |

| H.E.S. EMP NAME / EMP # / (EXPOSURE HOURS) | HRS | | HRS | | HRS | | HRS |
|---|---|---|---|---|---|---|---|
| JOAQUIN MEZA 275055 | | HARRY SHOATS 329013 | | M DICKIE | | | |

| H.E.S. UNIT # S / (R / T MILES) | R / T MILES | | R / T MILES | | R / T MILES | | R / T MILES |
|---|---|---|---|---|---|---|---|
| 10286381 | | 10248037 | | 10248068 | | | |

Form. Name _____ Type: _____
Form. Thickness _____ From _____ To _____
Packer Type _____ Set At _____
Bottom Hole Temp. _____ Pressure _____
Retainer Depth _____ Total Depth _____

| | Called Out | On Location | Job Started | Job Completed |
|---|---|---|---|---|
| Date | 5/29/05 | 5/29/05 | 5/29/05 | 5/29/05 |
| Time | 0800 | 1100 | 1155 | 1208 |

**Tools and Accessories**

| Type and Size | Qty | Make |
|---|---|---|
| Float Collar | | |
| Float Shoe | | |
| Centralizers | | |
| Top Plug | | |
| Limit Clamp | | |
| BASKET | | |
| Insert Float | | |
| Guide Shoe | | |
| Weld-A | | |

**Well Data**

| Casing | New/Used | Weight | Size Grade | From | To | Max. Allow |
|---|---|---|---|---|---|---|
| Surface | NEW | 24.0 | 8 5/8" | 0 | 136 | |
| Intermediate | | | | | | |
| Production | | | | | | |
| Tubing | | | | | | |
| Drill Pipe | | | | | | |
| Open Hole | | | | | | Shots/Ft. |
| Perforations | | | | | | |
| Perforations | | | | | | |
| DV Tool | | | | | | |

**Materials**

| | | | | |
|---|---|---|---|---|
| Mud Type | H20 BASE | Density | 9 | Lb/Gal |
| Disp. Fluid | H20 | Density | 8.33 | Lb/Gal |
| Prop. Type | | Size | | Lb |
| Prop. Type | | Size | | Lb |
| Acid Type | | Gal. | | % |
| Acid Type | | Gal. | | % |
| Surfactant | | Gal. | | In |
| NE Agent | | Gal. | | In |
| Fluid Loss | | Gal/Lb | | In |
| Gelling Agent | | Gal/Lb | | In |
| Fric. Red. | | Gal/Lb | | In |
| Breaker | | Gal/Lb | | In |
| Blocking Agent | | | Gal/Lb | |
| Perfpac Balls | | | Qty. | |
| Other | | | | |
| KCL substitute | | | | |
| Other | | | | |
| Other | | | | |
| Other | | | | |

**Hours On Location**

| Date | Hours |
|---|---|
| 5/29/05 | 1.00 |
| 5/29/05 | |
| Total | 1.00 |

**Operating Hours**

| Date | Hours |
|---|---|
| 5/28/05 | 1.00 |
| 5/29/05 | |
| Total | 1.00 |

**Description of Job**

SEE JOB LOG

RECEIVED
JUN 2005
DIV. OF OIL, GAS & MINING

**Hydraulic Horsepower**

| | | |
|---|---|---|
| Ordered | Avail. | Used |

**Average Rates in BPM**

| | | |
|---|---|---|
| Treating | Disp. | Overall |

**Cement Left in Pipe**

| | | |
|---|---|---|
| Feet | Reason | Customer Request |

| Stage | Sacks | Cement | Bulk/Sks | Additives | W/Rq. | Yield | Lbs/Gal |
|---|---|---|---|---|---|---|---|
| | 115 | STD | BULK | 2%C.C-1/4#FLOCELE | 5.20 | 1.18 | 15.6 |
| | | | BULK | | | | |
| | | | BULK | | | | |
| | | | BULK | | | | |
| | | | BULK | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Circulating | RIG | Displacement | HES PUMP | Preflush: Gal - BBl | 10 | Type: | DYE |
| Breakdown | | Maximum | | Load & Bkdn: Gal - BBl | | Pad: Bbl - Gal | |
| Lost Returns | NO | | | Excess / Return Gal BBl | | Calc. Disp Bbl | 7 |
| Cmt Rtns # Bbl | 12 | Actual TOC | SURFACE | Calc. TOC: | SURFACE | Actual Disp. | 7.0 |
| Average | | Frac. Gradient | | Treatment: Gal - BBl | | Disp: Bbl - Gal | 7 |
| Shut In: Instant | | 5 Min. | 15 Min. | Cement Slurry Gal - BBl | 24 | | |
| | | | | Total Volume Gal - BBl | 41 | | |

**Frac Ring #1** | **Frac Ring #2** | **Frac Ring #3** | **Frac Ring #4**

THE INFORMATION STATED HEREIN IS CORRECT

CUSTOMER REPRESENTATIVE _____ SIGNATURE _____

# HALLIBURTON JOB LOG

| | | | |
|---|---|---|---|
| TICKET # 3741465 | TICKET DATE 5/29/2005 | | |
| REGION NORTH AMERICA LAND | NWA / COUNTRY ROCKY MOUNTAIN | BDA / STATE NM | COUNTY SAN JUAN |
| MBU ID / EMPL # 275055 | H.E.S EMPLOYEE NAME JOAQUIN MEZA | PSL DEPARTMENT ZONAL ISOLATION | |
| LOCATION FARMINGTON, NM | COMPANY MARALEX | CUSTOMER REP / PHONE JEREMY GOLOB #970-799-4278 | |
| TICKET AMOUNT | WELL TYPE 02 GAS | API/UWI # | |
| WELL LOCATION NAPI | DEPARTMENT ZONAL ISOLATION 10003 | JOB PURPOSE CODE | Description 8 5/8" SURFACE |
| LEASE / WELL # TRADING POST 24 | Well No. #2 | SEC / TWP / RNG | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1100 | | | | | | | ARRIVED ON LOCATION |
| | 1115 | | | | | | | LOCATION ASSESSMENT & SAFETY MEETING |
| | 1130 | | | | | | | SPOT AND RIG UP EQUIPMENT ON LOCATION. |
| | 1145 | | | | | | | HELD PRE JOB SAFETY MEETING. |
| | 1155 | | | | | | 1500 | START JOB AND PRESSURE TEST LINES TO 1500 PSI |
| | 1156 | 2 | 10 | | | | | SPACER 1- 10 BBLS OF DYE H2O |
| | 1159 | 4 | 24 | | | | 29 | FOLLOWED BY 24 BBLS OF CEMENT MIXED AT 15.6# |
| | 1206 | 4 | 8 | | | | 89 | START DISPLACEMENT 8 BBLS OF H2O |
| | 1208 | | | | | | | SHUT IN WELL, END JOB |
| | | | | | | | | |
| | | | | | | | | CIRCULATED 12 BBLS OF CEMENT TO SURFACE |