

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-045-33509 33059 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No.
--	---	---

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR <input type="checkbox"/> OTHER <input type="checkbox"/> 2. Name of Operator Maralex Resources, Inc. 3. Address of Operator P.O. Box 338, Ignacio, CO 81137 4. Well Location Unit Letter C 800 Feet From The North Line and 1500 Feet From The West Line Section 32 Township 31N Range 10W NMPM San Juan County 10. Date Spudded 11/08/05 11. Date T.D. Reached 11/11/05 12. Date Compl. (Ready to Prod.) 12/28/05 13. Elevations (DF& RKB, RT, GR, etc.) 6103 GR 14. Elev. Casinghead 15. Total Depth 2925' 16. Plug Back T.D. 2871' 17. If Multiple Compl. How Many Zones? 1 18. Intervals Drilled By X Rotary Tools Cable Tools 19. Producing Interval(s), of this completion - Top, Bottom, Name Basin Fruitland Coal 2750-2765' 20. Was Directional Survey Made Yes 21. Type Electric and Other Logs Run CBL, Platform Express Array Induction GR, Compensated Neutron 22. Was Well Cored No	7. Lease Name or Unit Agreement Name Atlantic Fruitland 8. Well No. 32-1A 9. Pool name or Wildcat Basin Fruitland Coal
--	--

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	23#	190'	12-1/4"	120sx Standard	Cement w/2%CaCl2 & 1#/sk flocele.
5-1/2"	17#	2921'	7-7/8"	330 sx 65/35 Standard Pozmix w/ 6% gel, 5# gilsonite & 1#/sk flocele	150 sx 2/10% Halad 9,5# gilsonite & 1#/sk flocele.

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	2789'	

26. Perforation record (interval, size, and number) 2609-2765' 4 JSPF, 90 degree phasing	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED See attached report.
--	--

28. PRODUCTION

Date First Production 12/28/05		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing			Well Status (Prod. or Shut-in) Producing		
Date of Test 12/28/05	Hours Tested 24	Choke Size .375"	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 220	Water - Bbl. 5	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 220	Water - Bbl. 5	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold	Test Witnessed By D. Jeremy Golob
---	---

30. List Attachments Perforating, Acid and Frac Report attached.
--

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Carla S. Shaw	Printed Name Carla S. Shaw	Title Production Technician	Date 12/30/05
E-mail Address carlasue4@lycos.com			

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology
1821	1875		Ojo Alamo
1875	2771		Kirtland-Fruitland
2771	2847		Pictured Cliffs

MARALEX RESOURCES, INC.

ATLANTIC FRUITLAND 32-1A

**SUPPLEMENTAL INFORMATION
C-105 WELL COMPLETION REPORT**

Perforate the interval 2760'-2765' and 2750'-2754'. POOH, all guns fired. RIH with 2nd gun and perforate the interval 2702'-2709'. 4 spf, .42" ent. 90 deg. phasing. Pump 300 gals 7.5% HCL followed by 1000 gals 12-3 mud acid. Drop 65 ball sealers evenly throughout mud acid stage.

Stimulate Fruitland coal interval 2702'-2709', 2750'-2754', 2760'-2765' as follows:

16,997 gals Pad
9,979 gals at 0.5 ppg
6,997 gals at 1 ppg
6,973 gals at 2 ppg
5,006 gals at 3 ppg
3,996 gals at 4 ppg
2,987 gals at 5 ppg
3,209 gals at 6 ppg
Flush with 2790 gals

Job pumped at 30 BPM with Delta Frac 140 fluids. Total sand: 90,200# of 16/30 Brady with SandWedge additive and is tagged with Iridium 192 radioactive tracer. Max treating pressure: 1263 psi. Final frac gradient: .75 psi/ft. 1403 bbls load water.

ISIP: 866, 5 min: 674, 10 min: 590, 15 min: 495 psi

Run a CCL to get on depth and perforate the intervals: 2662'-2667', 2640'-2645', 2626'-2636', 2609'-2612'. 4 spf, 90 degree phasing, .42" holes. Pump 300 gals 7.5% HCL followed by 950 gals 12-3 HF mud acid. Dropped 110 1.3 S.G. balls evenly throughout last 2/3 of HF acid. Did not observe ball action, job did not ball off. Pump 75 bbls water flush. ISIP: 781 psig, 5 min: 608 psi, 10 min: 441 psi.

Stimulate Fruitland coal stage 2 as follows:

21,024 gals Pad
8,074 gals at 0.5 ppg
6,928 gals at 1 ppg
5,987 gals at 2 ppg
5,099 gals at 3 ppg
8,454 gals at 4 ppg
6,983 gals at 5 ppg
6,142 gals at 6 ppg
Flush with 2,382 gals

Job pumped at 40 BPM with Delta Frac 140 fluids. Total sand: 140,210# of 16/30 Brady with SandWedge additive. Sand is tagged with Iridium 192 radioactive tracer. Max treating pressure: 1384 psi. Final frac gradient: .90 psi/ft. 1692 bbls load water..

ISIP: 1207, 5 min: 934, 10 min: 850, 15 min: 780 psi

BEARCAT DRILLING LLC

5424 US Highway 64
Farmington, NM 87499

PO Box 717
Farmington, NM 87499

Phone: 505-327-5218
Fax: 505-564-9185

Maralex
P.O. 338
Ignacio, CO 81137

Deviation Report
Atlantic 32-1A
Sec31- TWN31N- 10W

158	1
614	1
1079	1
1478	1 ¾
1916	1 ¾
2355	1 ¼
2793	1 ¾

Surveys as reported by Bearcat Drilling Rig # 3, Daily Drilling Report.

Bowen Vallejos
Bowen Vallejos
Contracts

The State of New Mexico
)ss.
County of San Juan

The foregoing instrument was acknowledged before me on this 5th day of January 2006 by Bowen Vallejos
Notary Public Monica J. Martinez
My commission expires March 18, 2007

