

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.

5. Lease Serial No.

SF 079964

6. If Indian, Allottee or Tribe Name

7. If Unit or C/A Agreement, Name and/or No.

8. Well Name and No.

J.C. Daum # 1

9. API Well No.

30-045-05221

10. Field and Pool, or Exploratory Area

Bisti Lower Gallup

11. County or Parish, State

San Juan County, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side

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 (Footing, Sec., T., R., M., or Survey Description)

1650' FSL; 990' FEL

Section 26-T25N-R11W

12. CHECK APPROPRIATE BOXES 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
☐ Incident Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Abandonment Notice	☐ Casing Repair	☐ New Construction	☒ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporary Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

Describe proposed or completed operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If this 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 3160-3 shall be filed once testing has been completed. Final Abandonment Notice 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.

Maralex Resources, Inc., proposes to re-complete this well to the Fruitland Coal as follows:

- 1) Plug and abandon the existing Gallup completion by spotting a 55 sk cement plug from PBTD of 5134' to 4634'. (Gallup perfs are from 4932' to 5042').
- 2) Spot a 55 sk cement plug from 2200' to 1700' to isolate reported casing leak.
- 3) Cut and pull top 1600' of existing un-cemented 5-1/2" production casing.
- 4) Run new 5-1/2", 15.5#, K-55 casing to 1600' and cement with 35 sks scavenger slurry followed by lead slurry (280 sks Class B w/6% gel, 5# gilsonite, 1/4# flocele) and tail slurry (150 sks Class B cement w/0.4%, Halad 344, 5# gilsonite, 1/4# flocele).
- 5) Perforate and fracture stimulate the Fruitland Coal.

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

Jeremy Golob

Title Senior Petroleum Engineer

Signature

Date 6/21/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 20 2006

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)

HOLD C1M FOR

C-102 for Basin Fruitland
coal

NMOC

B

