

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

M & G Drilling Company, Inc.

3. Address and Telephone No.

P. O. Box 5940 Farmington, NM 87499 (505) 325-6779

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**680' FSL & 775' FEL
Section 4, T27N, R8W**

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

NMSF078481A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Graham No. 98S

9. API Well No.

30-045-32644

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan County, New Mexico

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud well.

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-off
☐ Conversion to Injection
☐ Dispose Water

Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spud well at 10:45 AM on 1/11/07. Drilled 12 1/4" hole to 230' KB. Ran 5 jts of 8 5/8", 23# casing. Casing landed at 217' KB. Cemented surface casing with 150 sx (178.5 cf) of Type 5 cement containing 2% CaCl and 1/4 #/sk cello flakes. Circulated 14 bbls of cement to surface.

Repat pt & csg grade next report

14. I hereby certify that the foregoing is true and correct

Signed

Rosa J. Delventhal

Title

Agent

Date

15-Jan-07

(This space for Federal or State office)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

Title 18 U.S.C. Section 1001, makes 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.

JAN 25 2007

FARMINGTON FIELD OFFICE

NMOCB