

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

Pro NM Energy, Inc.

3. Address and Telephone No.

460 St. Michael's Dr., Suite 300 Santa Fe, NM 87505 (505) 988-4171

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

730' FNL & 1495' FEL
Section 18, 126N, R11W

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

SF-78897-A

6. If Indian, Allottee or Tribe Name

RCVD FEB23'07
OIL CONS. DIV.

7. If Unit or CA, Agreement Designation

DIST. 3

8. Well Name and No.

Gracia Federal 18I No. 1S

9. API Well No.

30-045-33468

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

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

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

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

(Note: Report results of multiple completions on Well 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.)*

Pro NM Energy, Inc. requests to change the casing program on the subject well to the following: Drill 8 3/4" hole to 120' and run 7", 20# J-55 casing. Cement surface casing with 65 sx (77 cf) of Class B cement containing 2% CaCl. Drill 6 1/4" hole to 1457' and run 4 1/2", 10.5#, J-55 casing. Cement casing with 150 sx (309 cf) of Class B cement containing 2% sodium metasilicate. Tail in with 100 sx (118 cf) of Class B cement containing 2% CaCl. Both casing strings will be cemented to surface.

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

Signed Dana S. Delmuth Title Agent Date 10/18/2006

(This space for Federal or State office)

Approved by [Signature] Title AFM Date 2/22/07

Conditions of approval, if any: