

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2007 FEB 26 PM 12: 31

RCVD FEB28'07
OIL CONS. DIV.

DIST. 3
FORM APPROVED

Budget Bureau No. 1004-0135
Expires: March 31, 1993

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)

1495' FSL & 660' FEL
Section 18, T26N, R11W

5. Lease Designation and Serial No.

SF-78899-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Gracia Federal 18I No. 1

9. API Well No.

30-045-32857

10. Field and Pool, or Exploratory Area

Basin FC / So. Gallegos Fr PC

11. County or Parish, State

San Juan County, NM

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|-------------------------------------------------------|--------------------------------------------------------------------|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input checked="" type="checkbox"/> Other <u>Cementing Report.</u> |
| | <input type="checkbox"/> Change of Plans |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Water Shut-off |
| | <input type="checkbox"/> Conversion to Injection |
| | <input type="checkbox"/> 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.)*

Pressure tested surface casing and BOP to 750 for 30 min. - held OK. Drilled 7 7/8" hole to 1495' KB. Ran 37 jts of 5 1/2", 15.5#, J-55 casing. Casing landed at 1483' KB. PBD 1442' KB. Cemented with 180 sx (370.8 cf) of Type 5 cement containing 2% Sodium Metasilicate and 1/4 #/sk cello flakes. Tailed in with 100 sx (119 cf) of Type 5 cement containing 2% CaCl and 1/4 #/sk cello flakes. Circulated 12 bbls of cement to surface.

Report date reached TD & PT

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

Signed Dana S. Wilenthal Title _____ Agent _____ Date 2/22/2007

(This space for Federal or State office)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

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.

ACCEPTED FOR RECORD

FEB 27 2007

FARMINGTON FIELD OFFICE
JL Salves

NMOCDB