

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.
NMSF 079964

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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 (Footage, Sec., T., R., M., or Survey Description)
1650' FSL, 990' FEL
Section 26-T25N-R11W

7. If Unit of CA/Agreement, Name and/or No.
CA 25469 (E2 SEC 26)

8. Well Name and No
Trading Post 26-2A

9. API Well No.
30-045-05221

10. Field and Pool or Exploratory Area
Basin Fruitland Coal

11. Country or Parish, State
San Juan County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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. intends to plug and abandon the Trading Post 26-2A well within the next few months. Work procedure as follows:

1. Rig up workover rig or coiled tubing unit.
2. Clean out to 1502'.
3. Spot 474 sacks cement plug from PBD to surface.
4. Cut off well 6' below surface.
5. Backfill and erect abandoned well marker.

Due to cement top of $\approx 1300'$ plugs are to be set @

- 1) 1502' - 1276'
- 2) 1172' - 1072' inside & outside 5 1/2" casing
- 3) 658' - 419' inside & outside 5 1/2" casing
- 4) 304' - surface inside & outside 5 1/2" casing

RCVD AUG 23 '07

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

Jeremy Golob

Title Senior petroleum Engineer

OIL CONS. DIV.
DIST. 3

Signature

[Signature]

Date 08/08/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

AUG 20 2007

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)

NMOCD

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 2A Trading Post 26

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.

3. The following modifications to your plugging program are to be made:

The reported to of cement is around 1300'.

- a) Place the Pictured Cliffs/Fruitland perforations plug from 1502' – 1276'.
- b) Place the Fruitland plug from 1172' – 1072' inside and outside the 5 ½" casing.
- c) Place the Kirtland/Ojo Alamo plug from 658' - 419' inside and outside the 5 ½" casing.
- d) Place the plug from 304' to surface inside and outside the 5 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.