

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.  
NM96041

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.  
Trading Post #12. Name of Operator  
Maralex Resources Inc9. API Well No.  
30-045-297083a. Address  
P. O. Box 338 Ignacio, CO 811373b. Phone No. (include area code)  
(970)563-400010. Field and Pool or Exploratory Area  
968584. Location of Well (Footage, Sec., T, R., M., or Survey Description)  
1600' FSL 1750' FWL  
K-30-T25 0-R10W11. 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 checked="" 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 checked="" type="checkbox"/> Other <u>Commingleing</u>
	<input type="checkbox"/> Change Plans	<input 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 recomple 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 recomple 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 intends to comingle the pictured cliffs and fruitland coal zones on the Trading Post #1. Attached is the NM forms for that operation

RECEIVED

OCT 9 2007

Bureau of Land Management  
Farmington Field Office6A  
Fruitland Coal 76%  
Pictured Cliffs 24%RCVD OCT 16 '07  
OIL CONS. DIV.  
DIST. 3

DHC 3965

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

Name (Printed/Typed)

Bob L. Bixler

Title Engineering Technician

Signature

Date 10/04/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Joe Hewitt

Title GCO

Date 10-15-07

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 FFD

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

District I  
1625 N French Drive, Hobbs, NM 88240

District II  
1301 W Grand Avenue, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
\_\_\_\_ Single Well  
\_\_\_\_ Establish Pre-Approved Pools  
EXISTING WELLBORE  
\_\_\_\_ Yes \_\_\_\_ No

APPLICATION FOR DOWNHOLE COMMINGLING

Maralex resources Inc. \_\_\_\_\_ P. O. Box 338 Ignacio, Colorado 81137 \_\_\_\_\_  
Operator \_\_\_\_\_ Address \_\_\_\_\_

NM96041 \_\_\_\_\_ Trading Post #001 \_\_\_\_\_ K-30-T25.0-R10W \_\_\_\_\_ San Juan County, NM \_\_\_\_\_  
Lease \_\_\_\_\_ Well No. \_\_\_\_\_ Unit Letter-Section-Township-Range \_\_\_\_\_ County \_\_\_\_\_

OGRID No 150182 \_\_\_\_\_ Property Code \_\_\_\_\_ API No. \_\_\_\_\_ Lease Type: ☒ Federal \_\_\_\_\_ State \_\_\_\_\_ Fee \_\_\_\_\_

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Fruitland Coal	Pictured Cliffs	
Pool Code	71629	96858	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	1433' Top 1447' Bottom	1452' Top 1461' Bottom	
Method of Production (Flowing or Artificial Lift)	Artificial lift	Artificial lift	
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	929		
Producing, Shut-In or New Zone	Producing	Shut-In	
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date:02/2007  Rates:32MCF/day 17bbl/day	Date:08/1999  Rates:10MCF/day 234bbl/day	Date:  Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas  % %	Oil Gas  % %	Oil Gas  % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No \_\_\_\_\_  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes \_\_\_\_\_ No \_\_\_\_\_

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No \_\_\_\_\_

Will commingling decrease the value of production? Yes \_\_\_\_\_ No ☒ \_\_\_\_\_

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands  
or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No \_\_\_\_\_

NMOCID Reference Case No applicable to this well: \_\_\_\_\_

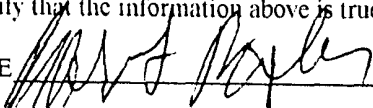
Attachments:  
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.  
Production curve for each zone for at least one year (If not available, attach explanation.)  
For zones with no production history, estimated production rates and supporting data.  
Data to support allocation method or formula.  
Notification list of working, royalty and overriding royalty interests for uncommon interest cases  
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools  
List of all operators within the proposed Pre-Approved Pools  
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.  
Bottomhole pressure data

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Engineering Technician \_\_\_\_\_ DATE 10/04/2007 \_\_\_\_\_

TYPE OR PRINT NAME Bob L. Bixler \_\_\_\_\_ TELEPHONE NO. (970) 563-4000 \_\_\_\_\_

E-MAIL ADDRESS bbixler@maralexresources.com \_\_\_\_\_

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-048-29708	<sup>2</sup> Pool Code 96858	Pictured Cutoffs
	<sup>3</sup> Property Name Trading Post #001	<sup>4</sup> Well Number #001
<sup>7</sup> OGRID No. 13998	<sup>8</sup> Operator Name Maralex Resources	<sup>9</sup> Elevation 6633

<sup>10</sup> Surface Location

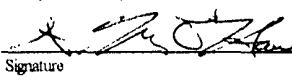
UL or lot no. K	Section 30	Township T25 N	Range R10 W	Lot Idn 30	Feet from the 1600'	North/South line South	Feet from the 1750'	East/West line West	County
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 318.92	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code C	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i>  Signature _____ Date _____ A. M. O'Hare Printed Name
	SECTION 30			18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____
NM	96041			
	NM100304			

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-29708		<sup>2</sup> Pool Code 71629		Fruitland Coal	
<sup>3</sup> Property Name Trading Post #001				<sup>6</sup> Well Number #001	
<sup>7</sup> OGRID No. 13998		<sup>8</sup> Operator Name Maralex Resources			<sup>9</sup> Elevation 6633

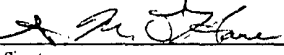
<sup>10</sup> Surface Location

UL or lot no. K	Section 30	Township T25 N	Range R10W	Lot Idn 30	Feet from the 1600'	North/South line South	Feet from the 1750'	East/West line West	County
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 318.92		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code C		<sup>15</sup> Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup>				<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i>  Signature _____ Date _____ A. M. O'Hare Printed Name	
SECTION 30					
NM 96041				<sup>18</sup> SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
NM100304				Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____	

1980, Hobbs, NM 88241-1980  
District II  
Drawer D3, Artesia, NM 88211-0719  
District III  
1800 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

Form C-10

Revised February 21, 1995

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APT Number 30-045-29708		* Pool Code 71629	* Pool Name BASIN FRUITLAND COAL
* Property Code	* Property Name TRADING POST		* Well Number 1
* OGRID No. 13998	* Operator Name MARALEX RESOURCES, INC.		* Elevation 6633

<sup>10</sup> Surface Location

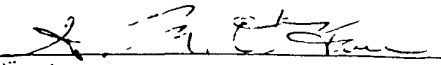
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	25N	10W		1600	South	1750	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 318.92	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code C	<sup>15</sup> Order No. Pending
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature A. M. O'Hare Printed Name President Title November 12, 1999 Date
	SEC.	30	BIA	<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey Signature and Seal of Professional Surveyer  Certificate Number
NM	96041			
	Trading Post # 1		NO-C-9502-1283 Allotted	

OK (9)

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name WILDCAT PICTURED CLIFFS		
4 Property Code		5 Property Name TRADING POST			6 Well Number 1	
7 OGRID No. 150182		8 Operator Name ROBERT L. BAYLESS, PRODUCER LLC			9 Elevation 6633	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	25 N	10 W		1600	South	1750	West	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16 (19.69) S89°50'E (2005)</p> <p>Lot No. (TYP.) 1</p> <p>79.84cm. (40.00)</p> <p>2</p> <p>SEC.</p> <p>3</p> <p>1750'</p> <p>4</p> <p>1600'</p> <p>FdBC</p> <p>FdBC (19.795) S89°55'E (20.035)</p> <p>(44.07) 79.90cm</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature PRICE M. BAYLESS</p> <p>Printed Name ENGINEER</p> <p>Title OCTOBER 16, 1998</p> <p>Date</p>
<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>23 Sep 1998</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>WILLIAM P. HANKS II #8466</p> <p>Willam P. Hanks II Certificate Number 8466</p>		