

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APR 14 2008

FORM APPROVED
OMB No 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Management
Field Office

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

M&G Drilling Company, Inc. c/o Walsh Engineering

3a Address

7415 E. Main, Farmington, NM, 87402

3b Phone No. (include area code)

505-327-4892

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

2400' FNL and 1305' FWL, (E) Sec. 3, T27N, R11W

5. Lease Serial No.

NM - 078673

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Schlosser #101

9. API Well No.

30-045-32581

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	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Other Spud and casing report
	<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 Operations (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 shall 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 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

04/7/08 spud 8-3/4" surface hole. Drilled to 1358' KB. Ran 3 jts (123.88') of 7", 20#, J-55, ST&C new casing and set casing at 129' KB. Cemented with 50 sx (59 cu. ft.) of Type 5, 3% CaCl₂ and 1/4 #/sk celloflake. Circulated 5.5 bbls of good cement to surface.

04/8/08 Nipped up the BOP. Pressure tested the BOP,choke manifold and casing to 250 psi - low and 1000 psi - high. ✓

04/10/08 TD 6-1/4" hole at 2180'. Ran 54 jts (2172.70') of 4-1/2", 10.5#, J-55, ST&C production casing and set casing at 2178' KB. Insert float is at 2158' KB and the top of marker joint is at 1716' KB. Cemented with 150 sx (309cu.ft.) of Type 5, 2% sodium metasilicate, 1/4#/sk celloflake, followed by 75 sx (89 cu. ft.) of Type 5, with 1/4# celloflake. Bumped plug to 1500 psi. Float held OK. Circulated 10 bbls of cement to surface.

ACCEPTED FOR RECORD

APR 21 2008

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Paul C. Thompson, P.E.

Title

Agent

Signature

Paul C. Thompson

Date

April 11, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

RCVD APR 22 '08
OIL CONS. DIV.

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

DIST. 3

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