

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMSF78899A

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.
Gracia Federal 181 # 1

9. API Well No.
30-045-32857 00S1

10. Field and Pool or Exploratory
Basin Fruitland Coal

11. Sec., T., R., M., on Block and
Survey or Area
Section 18-T26N-R11W

12. County or Parish
San Juan County

13. State
NM

17. Elevations (DF, RKB, RT, GL)*
6103' GL, 6108' KB

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Revert.,
Other _____

3. Name of Operator
Pro NM Energy, Inc.

3. Address 460 St. Michael's Drive, Bldg 300, Suite 402
Santa Fe, NM 87505

3a. Phone No. (include area code)
505/988-4171

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 1495' FSL; 660' FEL

At top prod. interval reported below Same

At total depth Same *Rig Rel 2/1/07*

14. Date Spudded
02/17/2007

15. Date T.D. Reached
02/20/2007

16. Date Completed 01/29/2008
☐ D & A ☒ Ready to Prod.

18. Total Depth: MD 1495'
TVD

19. Plug Back T.D.: MD 1442'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

Platform Xpress, Array Induct, Triple Lith Density, Compensated Neutron/GR CCL/CBL/GR

22. Was well cased? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft)	Top (MD)	Bottom (MD)	Stage Cementor Depth	No. of Str. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J-55	24#	Surface	132'		100 sx Type 5		Surface	
7-7/8"	5-1/2" J-55	15.5#	132' C	1483'		180 sx Type 5 & 100 sx Type 5		Surface	<i>PT to 3900' 30"</i> <i>OK 1/5/08</i> <i>per Carla p</i>

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	1348'							

25. Producing Intervals

Formation	Top	Bottom	Perforation Interval	Size	No. Holes	Perf. Status
A) Fruitland Coal	1086	1322	1301' - 1317'	4"	4 JSPF	Open
B)			1240' - 1244'	4"	4 JSPF	Open
C)			1224' - 1230'	4"	4 JSPF	Open
D)			1164' - 1168'	4"	4 JSPF	Open

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
1301-1317 Stage 1	200 gallons 7-1/2% HCL followed with 750 gallons 12-3 mud acid (Stage 1)
1240-1244	1000 gallons 7-1/2% HCL (Flush with 51 BBLs water) (Stage 2)
1224-1230 Stage 2	Frac with 75,000# 20-40 Proppant, Pumped 35 BPM with an average treating pressure of 1455 psi (Stage 1)
1164-1168	Frac with 70,000# 20-40 Proppant, Pumped 37 BPM with an average treating pressure of 1769 psi (Stage 2)

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
	1/29/08	12	→	0	25	45			Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→	0	50	90		Waiting to turn well to sales	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

* (See instructions and spaces for additional data on page 2)

RECEIVED 7/31/08

NMOCS

OPERATOR

8/31/08

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

Vented

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Fruitland	1086'				
Basal Fruitland	1301'	1322'			
Pictured Cliffs	1322'	1495'			
Total Depth	1495'				

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Carla S. Shaw

Title Agent for Pro NM Energy, Inc.

Signature *Carla S. Shaw*

Date 03/26/2008

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

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