

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO 1004-0137
Expires November 30, 2000

MAR 23 2009

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

Bureau of Land Management

5. Lease Serial No.
NM 03605

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

Farmington Field Office of Indian, Allottee or Tribe Name

2 Name of Operator

M&G Drilling Company c/o Walsh Engineering

3 Address

7415 E. Main St. Farmington, NM 87402

3a Phone No. (include area code)

(505) 327-4892

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

At surface

1530' FSL and 1965' FWL, (K) Section 22, T27N, R8W

At top prod. interval reported below

At total depth

14. Date Spudded

11/23/08

15 Date T.D. Reached

11/27/08

16 Date Completed

☐ D & A ☒ Ready to Prod
02/27/09

7. Unit or CA Agreement Name and No

8 Lease Name and Well No
Marron #42B

9 API Well No

30-045-32646

10. Field and Pool, or Exploratory

Blanco Mesa Verde

11 Sec., T., R., M., or Block and
Survey or Area

Sec 22, T27N, R8W

12. County or Parish

San Juan

13 State

NM

17. Elevations (DF, RKB, RT, GL)*

5980' GL 5996.5' KB

18 Total Depth: MD

4717'

TVD 4717'

19. Plug Back T.D.: MD

4692'

TVD 4692'

20 Depth Bridge Plug Set MD

TVD

21 Type Electric & Other Mechanical Logs Run (Submit copy of each)
Compensated Density/Neutron, Induction, GR/CCI

22 Was well cored? ☒ No ☐ Yes (Submit copy)
Was DST run? ☒ No ☐
Directional Survey? ☐ No ☒ Yes (Submit)

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

| Hole Size | Size/Grade | Wt (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|------------|----------|-------------|-------------------------|--|----------------------|-------------|---------------|
| 12-1/4" | 9-5/8" J | 36# | 0 | 234' | | 150 (180 cuft) | 32 | Surface | Circ 5 bbls |
| 8-3/4" | 7", J | 20# | 0 | 2525' | | Lead 275 (594 cuft) Tail 150 (179 cuft) | 106 32 | Surface | Circ 27 bbls |
| 6-1/4" | 4-1/2", J | 10.5# | 2381' | 4715' | | 280 sx (403 cuft) | 72 | 2381' | Circ 10 bbls |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Set (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-----------------|
| 2-3/8" | 4439' | | | | | | | |

25 Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No Holes | Perf Status |
|---------------|------|--------|---------------------|-------|----------|-------------|
| A) Mesa Verde | 3836 | 4566 | 4349' - 4566' | 0.34" | 44 | Open |
| B) | | | 3836' - 4276' | 0.34" | 20 | Open |
| C) | | | | | | |
| D) | | | | | | |

27 Acid, Fracture, Treatment, Cement Squeeze, Etc

| Depth Interval | Amount and type of Material |
|----------------|--|
| 4349 - 4566' | 1,000 gal 15 % HCl, 854 bbls slick water, 1,296,337 SCF N2, w/ 100,000# 20/40 BASF |
| 3836' - 4276' | 1,000 gal 15 % HCl, 794 bbls slick water, 1,018,944 SCF N2, w/ 50,000# 20/40 BASF |

RCUD MAR 10 '09
OIL CONS DIV

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 |
|------------------------|-------------------------|----------------------|--------------------|------------|------------|--------------|-------------------------|---------------------|-------------------|
| 02/27/09 | | | → | | | | | | Flowing |
| Choke Size | Tbg Press Flwg SI | Csg Press 540# | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr API | Well Status | |
| | | | → | | 2,700 | | | SI Waiting on C-104 | |

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 |
|------------------------|-------------------------|-----------------|--------------------|------------|------------|--------------|-------------------------|----------------|---------------------|
| | | | → | | | | | | ACCEPTED FOR RECORD |
| Choke Size | Tbg Press Flwg SI | Csg Press | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr API | Well Status | |
| | | | → | | | | | | MAR 09 2009 |

FARMINGTON FIELD OFFICE
BY SR

NMOCD 46

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 (Sold, used for fuel, vented, etc)

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 |
| Ojo Alamo | 1240' | | | | |
| Kirtland | 1330' | | | | |
| Fruitland | 1925' | | | | |
| Pictured Cliffs | 2100' | | | | |
| Chacra | 3063' | | | | |
| Cliff House | 3690' | | | | |
| Menefee | 3774' | | | | |
| Point Lookout | 4409' | | | | |

32 Additional remarks (include plugging procedure)

33 Circle enclosed attachments.

- | | | | |
|--|--------------------|---------------|-----------------------|
| 1 Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5 Sundry Notice for plugging and cement verification | 5. Core Analysis | 7 Oil | |

36 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) Paul C. Thompson, P.E. Title Agent

Signature  Date 3/2/2009

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