

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☐ Oil Well ☐ Gas Well ☒ Other

SEP 25 2009

2 Name of Operator **Maralex Disposal, LLC**

Bureau of Land Management
Indian Field Office

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)
**950' FNL; 1600' FWL
Section 26-T25N-R11W**

5. Lease Serial No

NMN1036252

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No.

Trading Post Disposal #1

9. API Well No

30-045-21470

10. Field and Pool, or Exploratory Area

Basin Dakota

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 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 checked="" type="checkbox"/> Other Request continued shut-in status
	<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 recompleat 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 recompleat 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.)

Maralex Disposal respectfully requests a continued shut-in status for Trading Post Disposal #1 for possible future water disposal needs. Attached is a copy of a successful MIT performed in April 2007.

THIS APPROVAL EXPIRES 10/1/10

RCVD SEP 28 '09

OIL CONS. DIV.

DIST. 3

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

Doris Ney

Title **Production Technologist**

Signature

Doris Ney

Date

09/24/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason**

Title

Date

SEP 28 2009

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.

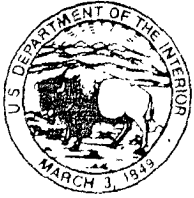
Office

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

B10/2



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico 87401

INTERPRETATION

NMNM-036252 (WC)
3162.3-2 (21110)

September 21, 2009

Mr. A. M. O'Hare
Maralex Resources, Inc.
PO Box 338
Ignacio, CO 81137

Dear Mr. O'Hare:

Reference is made to your well No. 1 Trading Post Disposal located 950' FNL & 1600' FWL sec. 26, T. 25 N., R. 11 W., San Juan County, New Mexico, Lease NMNM-036252. The subject well was approved for long term shut in until September 1, 2009 to evaluate. To date we have not received your plans for the above-mentioned wells. If the well remains shut-in, you will be required to test the casing integrity. This office must be notified 48 hours prior to the test so it may be witnessed. You are required to submit the above plans by October 15, 2009.

Failure to comply within the time above may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-93000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Stephen Mason
Petroleum Engineer, Petroleum Management Team



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

RCVD APR18'07
OIL CONS. DIV.

DIST. 3

MECHANICAL INTEGRITY TEST REPORT

(TA OR UIC)

Date of Test 4-18-07 Operator Maralex Res. API # 30-0 45-21470

Property Name Hacking Post D.S. Well # 1 Location: Unit C Sec 26 Twn 25 Rge 11

Land Type:

State _____
Federal ☒
Private _____
Indian _____

Well Type:

Water Injection _____
Salt Water Disposal ☒
Gas Injection _____
Producing Oil/Gas _____
Pressure observation _____

Temporarily Abandoned Well (Y/N): (N)

TA Expires: _____

Casing Pres. 0
Bradenhead Pres. 0
Tubing Pres. 0
Int. Casing Pres. N/A

Tbg. SI Pres. _____
Tbg. Inj. Pres. _____

Max. Inj. Pres. _____

Pressured annulus up to 360 psi. for 30 mins. Test passed/failed

REMARKS:

Pressure set at 5930
Pres 5958-5968 6012-6032

By Steve R. Szumowski
(Operator Representative)

Witness Monica Cook
(NMOCD)

(Position)

Revised 02-11-02

