

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

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

2. Name of Operator
Pro NM Energy, Inc.

3. Address and Telephone No. 505

460 St. Michael's Dr., #300 Santa Fe, NM 87505 988-4171

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

740' FSL, 1860' FEL
Sec. 23 - T25N-R11W

5. Lease Designation and Serial No.
3 NO-G-9909-1357

6. If Indian, Allottee or Tribe Name
Navajo Allotted

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Bisti 2

9. API Well No.

30-045-25784

10. Field and Pool, or Exploratory Area

Bisti Lower Gallup

11. County or Parish, State

San Juan County

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Pro NM attempted to recompleate and return the Gallup formation to production, as detailed on the attached daily reports (5 pgs).

Pro NM requests additional time in which to further evaluate the Gallup formation and other potentially productive intervals.

THIS APPROVAL EXPIRES JAN 02 2003

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

Signed Jolene Dicks

Title Director of Operations

ACCEPTED FOR RECORD

(This space for Federal or State office use)

Approved by _____

Title _____

Date AUG 02 2002

Conditions of approval, if any:

NMOCD

FARMINGTON FIELD OFFICE
BY gmn

MARALEX RESOURCES, INC.
FOR: PRO NEW MEXICO ENERGY

BISTI NO. 2

CONTRACTOR: TRIPLE P (RIG 1)

REPORT DATE: 07/08/02 (JRG)

Road rig from Farmington to location. Spot rig and rig up. Set pump and pit. Load pit
with 80 BBLs produced water.

MARALEX RESOURCES, INC.
FOR: PRO NEW MEXICO ENERGY

BISTI NO. 2

CONTRACTOR: TRIPLE P (RIG 1)

REPORT DATE: 07/09/02 (JRG)

Pick up 4-3/4" bit and 5-1/2" casing scraper. Nipple up BOP and rig up floor and tongs. Spot float with collars and tubing. Trip in hole with VAREL 4-3/4" Type L2 bit, (6) 3-1/2" drill collars and 152 joints of 2-3/8" tubing. Tally and pick up pipe off of float. Tag CIBP at 4921' KB. Tie-in rig pump to casing and pick up power swivel. Break circulation, took 4 BW. Start drilling on plug. Drill on plug 45 minutes and lost circulation. Continue to pump, regain circulation, lost 14 BW. Losing 1.5 BPM. Continue to drill on plug, returns about 1/2 of normal. Drill out plug in 2-1/4 hours. Pick-up tubing to chase plug to bottom. Got to 5015' and stopped. Drill on plug. Started getting rubber in returns. Shut down. Pick up and circulate hole clean. Pull up to 4747'. Shut down for night. Lost approximately 90 BW to hole while drilling plug.

MARALEX RESOURCES, INC.
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BISTI NO. 2

CONTRACTOR: TRIPLE P (RIG 1)

REPORT DATE: 07/10/02 (DRR)

Open BOP - no pressure on well. Discovered rig pit left open to casing overnight. Lost estimated 90 BW down casing. Trip out of hole with tubing stand back drill collars in derrick. Inspect 4-3/4" bit. Missing tooth on one cone. Attempt to make-up 5-1/2" casing scraper. Weatherford did not send out correct changeover from casing scraper to 2-3/8" tubing. Wait on changeover 2-1/2 hours. Make up 4-3/4" bit, 5-1/2" casing scraper on 2-3/8" tubing. Trip in hole. No noticeable obstructions. Tag plug at 5015'. Trip out of hole. Lay down scraper and bit. Rig up Basin Perforating. Trip in hole with CCL, GR. Tie-in GR with open hole FDC - CNL GR. Run GR, CCL strip from 5015' to 4590'. Run collar log strip across DV tool at 3895'. Pull out of hole. Run in hole with down hole service - 5-1/2" cement retainer. Tie-in to DV tool and bottom casing collars. Set retainer at 4994'. Tag retainer set down at 4994'. Pull out and rig down wireline unit. Wireline runs show liquid level at 1300' off bottom (Reservoir pressure approximately 559 psi). Make-up stinger on 2-3/8" tubing with seating nipple just above stinger. Trip in hole 10' above retainer. Circulate water down tubing and up casing to fill hole. Took approximately 100 BW to fill wellbore (3-4 BPM at 200 psi). Sting into retainer. Pump down tubing at 3/4 BPM at 500-600 psi. No returns up casing. Casing on slight vacuum. Lower Huerfano perforation not in communication with Mayre Bar perforations. Shut down for night.

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BISTI NO. 2

CONTRACTOR: TRIPLE P (RIG 1)

REPORT DATE: 07/11/02 (DRR)

Open tubing, slight vacuum. Pull up 1 joint tubing. Pulling out of cement retainer - lay down. Rig up lubricator to swab down tubing. Run in hole with swab cups. Hit liquid level at 3800'. Drop to seating nipple. At 8:10 swab well. Making 2-2.5 BBls each run. Water and trace of oil. After 3 runs, liquid level still at 3800'. At 9:50 liquid level at 4000' (after 6 swab runs). Samples are brackish but after separating show very little oil. Sediments settling to bottom. Make 16 swab runs. Recovered 35 BBls water last swab run hit liquid level at 4500'. Pull out of hole with tubing. Rig up Basin Perforators. Tie in with CCL. CCL/GR on depth with open hole FDC-CNL. Tag cement retainer. Position gun. Perforate Mayre Bar 4962-4980' (18') with 3-1/8" casing gun with 4 JSPF and 90 degree phasing. Pull out of hole. All shots fired. Rig down Basin. Trip in hole with tubing and seating nipple. Rig up to swab. Liquid level at 4000' on first run (500' buildup while perforating). Made 5 swab runs. Last run pulling from 4500'. Samples remain brackish but show only slight trace of hydrocarbons. Total water swabbed = 40 BBls. Estimate approximately 200 BBls water lost to Huerfano and Mayre Bar.

MARALEX RESOURCES, INC.
FOR: PRO NEW MEXICO ENERGY

BISTI NO. 2

CONTRACTOR: TRIPLE P (RIG 1)

REPORT DATE: 07/12/02 (DRR)

Open tubing. No pressure. Make swab run on isolated Mayre Bar perforations. Found liquid level at 4200'. Swab off of seating nipple. Make 5 swab runs. Last run liquid level at 4600'. Recovered 1.5-2.0 BBls each swab run. Slight trace of oil. Total volume water swabbed from Mayre Bar = 50 BBls. Rig down swab equipment. Trip out of hole, laying down 2-3/8" tubing. Nipple up wellhead. Release rig. Ship tubing and drill collars to Frontier Inspection. Evaluate potential for re-completing well as 160-acre infill Fruitland location.