District I PO Box 1980, Hobbs, NM 88241-1980 District II

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-104
Revised February 10, 1994
Instructions on back es

PO Drawer DD, Artesia, N District III	, 0	OIL CONSERVATION DIVISION						Submit to Appropriate District Offic				
1000 Rio Brazos Rd., Azte	PO Box 2 Santa Fe, NM 8						5 Copie					
District IV PO Box 2088, Santa Fe, NI			Jana	i I C, 141v	1 0/50	4-2000				AM:	ENDED REPOR	
•			LLOWA	ABLE A	ND AU	JTHOR	RIZAT	ION TO TI	RANSP	ORT	י	
	ress				¹ OGRID Number							
Maralex Resources, Inc.								013998				
P.O. Box 3	37				³ Reason for Filing Code							
					CH Eff 04/01/00							
4 API Number 30 - 0 4 5 - 0 9 3 4 7			Pool Name			Pool Code						
Property Cod		Aztec PC Property Name						7/280 • Well Number				
35744		Blancett						1				
	Location	<u> </u>	bia	ncett							1	
Ul or lot no. Section	Township	Range	Lot.ldn	Feet from		1	outh Line	Feet from the	East/Wes	t line	County	
G 24	30 N	12W		22	30	N	1	2000	E		San Juan	
. ¹¹ Bottom	Hole Loo	cation							<u> </u>			
UL or lot no. Section	Township	Range	m the North/South line			Feet from the East/West line (County				
Same as abo						<u> </u>						
12 Lee Code 12 Product	ing Method Co	ode 14 Gas (Connection D	ate 15 C	-129 Perm	it Number	"	C-129 Effective I	ate	" C-1	129 Expiration Date	
III. Oil and Gas	Transpor	tors										
Transporter	30 POD 31 O/G			²² POD ULSTR Location								
"Transporter "Transporter Name OGRID and Address							and Description					
		Natural Gas Co.			G			G Sec 24, T30N, R12W				
\$\$\tag{\psi} \tag{\psi} \psi	O. Box	4990	9740	0	e (.)			San Ju				
	 	,	6743	9	-							
				\$100.00	***				200 00	~		
K								- (8 29 31) 37				
								A P				
						<i>22</i>			MAR 2000			
						20.00			OILCON. DIV O)			
							0.00 (80) 800 (80)		DIST.	3		
IV. Produced Water POD POD ULSTR Location and Description MAR 2000 RECEIVED OIL CON. DIV DIST. 3											 	
POD POD ULSTR Location and Description												
		(3 Se	ction	24-T3	30N-R1	l2₩,	San Juan	Coun	ty,	NM	
V. Well Complet	ion Data											
25 Spud Date		²⁴ Ready Date			" TD			" PBTD		²⁹ Perforations		
M ss t el		T #8 : • 7 :: 6:			II D. A. C.					N.C. J. C.		
™ Hole Size		11 Casing & Tubing Size			³³ Depth Set					¹³ Sacks Cement		
												
		 										
											· · · · · · · · · · · · · · · · · · ·	
111 11 00		<u> </u>										
VI. Well Test Da ** Date New Oil	T	-Roser Date	36.71	Cast Data		17 Tr. 4 1	4 L	1 nn n	T		# C D	
Date New Oil	M Gas Delivery Date			* Test Date		" Test Length		* Tbg. Pressure		" Cag. Pressure		
** Choke Size		4 Oil 4 Water			43 Gas			4 AOF		4 Test Method -		
46 I hereby certify that the ru								<u> </u>				
with and that the information given above is true and complete to the best of my knowledge and belief.						OIL CONSERVATION DIVISION						
Signature: Caela A. Oldan					Approved by:							
Printed name: Carla S. Shaw						SUPERVISOR DISTRICT #3						
Title:						Approval Date: MAD 9 8 2000						
Production Technician Date: 03/27/00 Phone: 970/563-4000						MAR 2 8 2000						
" If this is a change of op-		e OGRID num	U / 5 6 3 - iber and nam	e of the prev	ious operat	υΓ						
							name	d Operat	or,			
By court order, Maralex Resources, Inc. named Operator, —Previous Operator Signature Printed Name Title Date												



621 17th Street, Suite 1125 Denver, Colorado 80293 (303) 292-5636 FAX (303) 292-5382

P.O. Box 338 Ignacio, Colorado 81137 (970) 563-4000 FAX (970) 563-4116

July 10, 2000

State of New Mexico Oil Conservation Division Attn: Charlie Perrin 1000 Rio Brazos Road Aztec, NM 87410

Re: Blancett # 1

API# 30-045-09347 2230' FNL; 2000' FEL Section 24-T30N-R12W San Juan County, NM

Mr. Perrin:

Per your phone conversation this morning with Mickey O'Hare, please find attached a copy of the court order granting Maralex Resources, Inc., lease ownership of the above-referenced lease.

Thank you.

Sincerely,

Maralex Resources, Inc.

Carle C. Straw

Carla S. Shaw Production Technician

Encl.



Detendants,

and

NORMAN L. GILBREATH and LORETTA E. GILBREATH, husband and wife, et al.

Third Party Plaintiffs/ Counter-Claimants,

VS.

A. M. MICKEY O'HARE,

Third Party Defendant.

ORDER ON MOTIONS FOR SUMMARY JUDGMENT

This matter came before the Court on notice for hearing January 24, 2000, upon all pending motions with the plaintiff and third-party defendant appearing by their counsel and in person by A. M. O'Hare, the defendants and counterclaimants Gilbreaths appearing by their counsel and in person, and the defendants Blancetts appearing by their counsel and in person. The Court first took up the Cross-Motion for Summary Judgment and Motion for Reconsideration filed by Gilbreaths and after that the Motion



or Summary Judgment filed by Maralex and O'Hare. The Court received the oral arguments of counsel, has considered the pleading on file, affidavits, briefs and legal authorities of the parties and being fully advised in the premises concludes that there are no genuine issues of material fact and that summary judgments can be entered as a matter of law AND IT IS THEREFORE ORDERED AND ADJUDGED AS FOLLOWS.

The plaintiff Maralex Resources, Inc.'s motion for partial summary judgment concerning the declaration of the validity of the oil and gas leases held by it on the mineral interests of the defendants Blancetts and the invalidity of the oil and gas lease previously held by the defendants Gilbreaths and Caprock Energy Company was ruled upon in favor of plaintiff on such motion and a Summary Judgment Order was entered in this cause on February 16, 1996. Thereafter the defendants Gilbreaths and Caprock Energy Company moved to set aside the Summary Judgment Order and for reconsideration; on September 30, 1997, the Court entered its Order On Motion to Set Aside Summary Judgment and Reconsider, whereby it reconsidered the said prior decision on partial summary judgment and having done so concluded that the February 16, 1996 Summary Judgment Order was properly granted and was affirmed. The defendants Gilbreaths and Caprock Energy Company have once again by their pending motions raised the issues concerning the termination of the December 30, 1959 lease on the mineral estate of the Blancetts, the Court has once again considered the arguments of the parties and concludes that the December 30, 1959 lease terminated as a matter of law and that the Summary Judgment Order granted plaintiff Maralex Resources inc. on those issues is reconfirmed and should be effectuated.

- The plaintiff and counter defendant O'Hare has moved for partial summary 2. judgment in their favor on all claims alleged under the Amended Counterclaim filed on September 24, 1997, on behalf of counterclaimants Gilbreaths and Caprock Energy Company; the Court concludes that the movants are entitled to judgment as a matter of law and the motion for partial summary judgment on the Amended Counterclaim is hereby granted in favor of counterdefendants Maralex Resources and O'Hare and against Gilbreaths and Caprock Energy Company.
- The Fourth Cause of Action of the plaintiff's Complaint, for damages by 3. reason of the Gilbreaths continuing to possess and sell the oil and gas production from the Blancett No. 1 well after termination of the December 30, 1959 lease, remains for adjudication. The Motion For Order to Compel Gregory J. Nibert, Esq., to Appear at Deposition which was filed on December 21, 1999, by the defendants and counterclaimants Gilbreaths and Caprock Energy Company is mooted by the Court's ruling reflected in Paragraph 1. above.
- The defendants Norman L. Gilbreath and Loretta E. Gilbreath are hereby enjoined from continuing to operate and retain dominion over the Blancett No. 1 well and from possessing and selling the production of oil and gas therefrom and they shall forthwith surrender possession to plaintiff.
- There being no just reason for delay the orders granting partial summary 5. judgment on the plaintiff's claim of lease ownership and summary judgment on the Counterclaim constitute a final judgment pursuant to Rule 1-54B, NMRA.

Honorable Judge Bryon Caton

District Court Judge