<u>District I</u>

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NIM

87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-101

Permit 2529

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address MARALEX RESOURCES INC		OGRID Number 13998
PO Box 338 Ignacio, CO 81137		API Number 30-045-32684
Property Code 6329	Property Name SCOTT	Well No. 002A

Surface Location

						222				-
UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
J	18	30N	11W	J	1975	ន	1365	E	San Juan	

Proposed Pools

BASIN FRUITLAND COAL (GAS) 71629

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	GAS		Private	5551
Multiple	Proposed Depth	Formation	Contractor	Spud Date
N	2100	Fruitland Coal		11/29/2004

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	300	350	0
Prod	7.875	5.5	15.5	2100	500	0

Casing/Cement Program: Additional Comments

Approximately 80 feet of 13-3/8 conductor pipe will be set. Surface and production casings will be cemented back to surface based on fluid and/or log calipers run at total depth.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Mamufacturer
Double Ram	3000	1000	Schaffer

	e information given above is true	OIL CONSERVATION DIVISION		
and complete to the best of my knowledge and belief. Electronically Signed By: Carla Shaw Title:		Electronically Approved By: Frank Chavez Title: District Supervisor		
		Date: 11/16/2004	Phone: 970-563-4000	Conditions of Approval: No Conditions