

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Co. s. Division

1625 N. French Dr.

Hobbs, NM 88240

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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.

5. Lease Serial No. **40406**
If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Breck Operating Corp.

3a. Address **P. O. Box 911 Breckenridge, Texas 76424**
3b. Phone No. (include area code) **(254) 559-3355**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**SE NE Sec 1 Twp 20E Rge 33E
1980' FNL & 660' FEL**

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

8. Well Name and No.
Grace Federal #1

9. API Well No.
30-025-30896

10. Field and Pool, or Exploratory Area
Teas Bone Springs

11. County or Parish, State
Lea County, New Mexico

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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" 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.)

Current Status of Well

- 13-3/8" casing @ 480', cement circulated to surface
- 8-5/8" casing @ 5200', cement circulated to surface
- 5-1/2" casing @ 13,705', top of cement @ 4600'
- Perfs 9414'-9514' squeezed w/250 sxs, 10128'-10148' open

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED**

Proposed Procedure

1. Set CIBP @ 10,100' w/35' of cement on top
 2. Cut off 5-1/2" casing @ 4550'
 3. Put cement plug 50' in & 50' out of stub TAG
 4. Put 100' plug from 5150' to 5250'
 5. Put plug from 1300' to 3000'
 6. Put plug from 430' to 530'
 7. Put plug from 53' to 3'
 8. Cut off casing, weld on I. D. plate and fill any rathole with fill
 9. Work to be done by 8/1/01
2. Put 150' PLUG FROM 7500' - 7350'

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

Ernie Underwood

Title **Engineering Technician**

Signature

Ernie Underwood

Date **5/4/01**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **(ORIG. SGD.) ALEXIS C. SWOBODA**

PETROLEUM ENGINEER

Date

MAY 15 2001

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.

GWW

RECEIVED
MAY 07 2001
BLM
ROSWELL, NM

1234567
— 1308293224
25262728293031
BLM
ROSWELL, NM