

UNITED STATES **OCD-ARTESIA**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	RECEIVED
2. Name of Operator Gruy Petroleum Management Co.	APR 05 2006
3a. Address PO Box 140907; Irving, TX 75014-0907	OCD-ARTESIA
3b. Phone No. (include area code) 972-401-3111	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL 210' FSL & 510' FWL; Section 31-T24S-R27E BHL 1237' FSL & 984' FWL; Section 31-T24S-R27E	

5. Lease Serial No. NM-96208
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Taos Federal No. 1
9. API Well No. 30-015-34520
10. Field and Pool, or Exploratory Area Undesignated Black River; Morrow, SW
11. County or Parish, State Eddy County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 Set surface & intermediate casing
	<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, included 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.)

02-10-06 Spudded 17-1/2" hole. Ran 5 jts 13-3/8" 48# H-40 STC casing to 215'. Cemented with 240 sx Premium Plus and circulated 63 sx to pit. WOC 12.25 hours. Tested casing to 500 psi for 30 minutes.

02-14-06 Reached TD of 12-1/4" hole. Ran 72 jts of 9-5/8" 40# J-55 LTC casing to 2760'.

02-15-06 Cemented with lead of 800 sx Interfill C + 0.25# Flocele and tail of 200 sx Premium Plus + 1% CaCl. Circulated 80 sx to pit. WOC 8 hours. Tested casing to 1500 psi for 30 minutes.

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

Natalie Krueger

Signature

Title

Reg Tech

Date

March 21, 2006

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ORIG. SGD. DAVID E. CLARK

Title

Date

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 makes 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 reverse)