Form 3160-5 (November 1994)

## UNITED STATES DEPARTMENT OF THE INTERIORD-ARTESIA BUREAU OF LAND MANAGEMENT

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

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

NM-30395

| Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.  |                             |                               |                            | 6. If Indian                                       | n, Allottee or Tribe Name       |
|--|-----------------------------|-------------------------------|----------------------------|--|---------------------------------|
|  |                             |                               |                            | 7. If Unit o                                       | r CA/Agreement, Name and/or No. |
| SUBMIT IN TRI  | PLICATE - Other instruction | ns on reverse side            |                            |  |                                 |
| 1. Type of Well Oil Well Sas Well Other  |                             |                               |                            | 8. Well Na   | ame and No.                     |
| 2. Name of Operator  |                             |                               |                            | Crow Flats 7 Federal No. 1                         |                                 |
| Gruy Petroleum Management Co.  |                             |                               |                            | 9. API Well No.                                    |                                 |
| 3a. Address  |                             | Phone No. (include area code) |                            | 30-015-34675                                       |                                 |
| PO Box 140907; Irving, TX 75014  | 972-401-3111                | 72-401-3111                   |                            | 10. Field and Pool, or Exploratory Area            |                                 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1260' FWL   |                             |                               |                            | Diamond Mound; Morrow  11. County or Parish, State |                                 |
| 2-7-16S-28E  |                             |                               |                            | Eddy County, NM                                    |                                 |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  |                             |                               |                            |  |                                 |
| TYPE OF SUBMISSION TYPE OF ACTION  |                             |                               |                            | <u> </u>   | •                               |
|  |                             |                               |                            |  |                                 |
| Notice of Intent Acidize   |                             | Deepen                        | epen Production (Start/Res |  | Water Shut-Off                  |
|  | Alter Casing                | Fracture Treat                | Reclamation                |  | Well Integrity                  |
| X Subsequent Report Casing Repair  |                             | New Construction              | Recomplete                 | X Other Set surface &                              |                                 |
|  | Change Plans                | Plug and Abandon              | Temporarily Aban           | don .  | intermediate casing             |
| Final Abandonment Notice   |                             |                               | 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 recomplete 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 recompletion 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.)  03/24/06 Spudded well.   |                             |                               |                            |  |                                 |
| 03/26/06 Ran 10 jts 13-3/8" 48# H-40 casing to 430'. Cemented with 150 sx Thixotropic (1.64 yld, 14.2 wt) + 2% CaCl + 10# CalSeal +  |                             |                               |                            |  |                                 |
| 10# Gilsonite + 0.5# Flocele + lead of 235 sx Thixotropic (1.68 yld, 13.7 wt) + 4% Bentonite + 2% CaCl + 0.25# Flocele + tail of   |                             |                               |                            |  |                                 |
| 150 sx Thixotropic (1.34 yld, 14.8 wt) + 2% CaCl. Did not circulate any cement to surface. Temperature survey showed cemer at 130'. One-inched with 85 sx Premium Plus + 4% CaCl (15.2 wt). Circulated 25 sx to surface. WOC 19 hours.   |                             |                               |                            |  |                                 |
| 03/27/06 Tested casing to 1000 psi for 30 minutes.   |                             |                               |                            |  |                                 |
| 03/29/06 Ran 41 jts 9-5/8" 40# J-55 LTC casing to 1808'. Cemented with lead of 400 sx (2.45 yld, 11.9 wt) + 0.25# Flocele and tail of 200 sx (1.33 yld, 14.8 wt). Circulated 116 sx to surface. WOC 25.5 hours.  |                             |                               |                            |  |                                 |
| 03/30/06 Tested casing to 1000 psi for 30 minutes.   |                             |                               |                            | RE   | ECEIVED                         |
|  |                             |                               |                            | . AF   | PR 2 1 2006                     |
|  |                             |                               |                            | OCU-APITESIA                                       |                                 |
|  |                             |                               |                            |  |                                 |
| 14. I hereby certify that the foregoing is true and correct  Name (Printed/Typed)  Title   |                             |                               |                            |  |                                 |
| Name (Fintew Types)  | Title                       |                               |                            |  |                                 |
| Natalie Krueger  |                             | Reg Tech                      |                            |  |                                 |
| Signature  | Date                        |                               |                            |  |                                 |
| Matalikunge April 12, 2006   |                             |                               |                            |  |                                 |
| ACCE IN THIS SPACE FOR FEDERAL OR STATE OFFICE USE   |                             |                               |                            |  |                                 |
| Approved by FORIC, SGD.) DAVID R. GLASS  |                             |                               | Title                      |  | Date                            |
|  |                             |                               | Office                     |  | 1                               |
| ceruiy triat ane applicant noids legal or equitable title to those rights in the subject lease   |                             |                               |                            |  |                                 |

Title 18 U.S.C. Section 1001/makes ft.d. 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.

which would entitle the applicant to conduct operations thereon.