

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

RECEIVED

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

SUNDRY NOTICES AND REPORTS ON WELLS

JUL - 3 2006

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMLC030133B
2. Name of Operator Breck Operating Corp.	6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box, Breckenridge, TX 76424	7. If Unit or CA/Agreement, Name and/or No. NMNM71034A
3b. Phone No. (include area code) 254-559-3355	8. Well Name and No. South Eunice #27
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T22S R36E SESW 660 FWL 1980 FWL	9. API Well No. 30-025-08996-00-S1
	10. Field and Pool, or Exploratory Area S Eunice
	11. County or Parish, State Lea County, NM

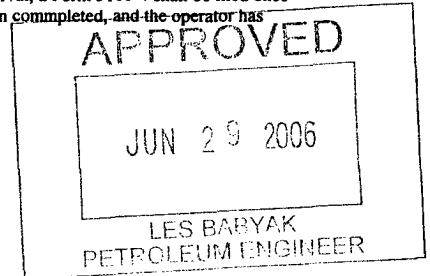
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 Text <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 checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<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, including 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.

Proposal to plugback from Queen & recomplete in Jalmat Yates formation.
New Well Designation will be Meyer B22 #9.

1. RU, dump 20' cement on CIBP set @ 3611', 30' above Queen perfs.
2. Selectively perforate Jalmat based on the log.
3. Frac with 58,000 gals gelled fluid with 95000# of sand using a 65% CO2 quality foam.
4. Run 4-1/2" FJ casing & set @ 1000' on a packer to act as scab liner.
5. Recover load & place on production.



14. I hereby certify that the foregoing is true and correct Name ((Printed/Typed) Donald R. Craig	Title District Engineer
Signature <i>Donald R. Craig</i>	Date April 18, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	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 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.