

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

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 DEC - 7 2005 OCD-ARTESIA	5. Lease Serial No. LC 028793 A
2. Name of Operator Gruy Petroleum Management Co.			6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 140907 Irving, TX 75014-0907	3b. Phone No. (include area code) 972-401-3111		7. If Unit or CA/Agreement, Name and/or No. NM 79054X
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL 1990' FSL & 445' FWL Sec 19 17S 30E BHL 2300' FSL & 660' FWL Sec 19 17S 30E			8. Well Name and No. Grayburg Deep Unit No. 17
			9. API Well No. 30-015-34214
			10. Field and Pool, or Exploratory Area Sand Tank Morrow
			11. County or Parish, State Eddy Co., 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, 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.)

07-25-05 Spudded well.

07-26-05 Ran 12 jts 13-3/8" 48# H-40 STC casing to 510'. Cemented with lead of 220sx Poz Class C + 6% D-20 + 0.25pps D-29 + 2% S-1 and tail of 210sx Class C + 6% D-20 + 0.25pps D-29 + 2% S-1. Circulated 100sx to pit. WOC 34.5 hours. Tested casing to 1000psi for 30 minutes.

08-15-05 Ran 24 jts 9-5/8" 40# L-80 LTC 8rd followed by 98jts 9-5/8" 40# J-55 LTC 8rd down to 4806.' Cemented with 2331sx Class C + 1% S-1 + 0.25% D-29. Circulated 130bbbls to surface. WOC 39.5 hrs.

08-17-05 Tested 9-5/8" casing to 1500psi for 30 minutes.

ACCEPTED FOR RECORD

DEC - 5

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Natalie Krueger

Signature

Title

Reg Tech

Date

November 28, 2005

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, 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)