

UNITED STATES
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.

5. Lease Serial No.
NMNM100331

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Colton 7 Federal No. 1

9. API Well No.
30-015-33101

10. Field and Pool, or Exploratory Area
Burton Flat; Morrow

11. County or Parish, State
Eddy Co., NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Gruy Petroleum Management Co.

3a. Address
P. O. Box 140907 Irving, TX 75014-0907

3b. Phone No. (include area code)
972-401-3111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 1250' FNL & 2170' FWL Sec. 7-T21S-R27E
BHL: 1250' FNL & 1592' FWL Sec. 7-T21S-R27E

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JAN 25 2006
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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 production 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 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.)

- 08-24-05 TD 8-3/4" hole (11550').
- 08-27-05 Ran 5-1/2" 17# P-110 LT&C casing to 11549'.
- 08-28-05 Cemented first stage with lead of 80 sx Interfill H + HR-7 + 5# Gilsonite + 1/4 Flocele @ 11.9 wt. Cemented tail with 600 sx Super H + 5% LAP-1 + 1/4# D-AIR + 0.4% CFR-3 + 1# Slat + 5# Gilsonite + 1/4 Flocele + 0.35% HR-7 @ 13.65 wt. Circulated 97 sx to reserve pit. Cemented second stage with lead of 1500 x Interfill C + 1/4# Flocele @ 11.9 wt. Cemented tail with 150 sx Premium Neat @ 15.61 wt. Released rig.
- 09-10-05 Pressure tested casing to 5000psi for 30 minutes. Ran CBL and found TOC at 1400'.

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

Name (Printed/Typed)
Natalie Krueger

Signature
Natalie Krueger

Title
Regulatory Technician

Date
01-06-06

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *DAVID R. GLASS* Title _____ Date _____

Office _____

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.

Title 18 U.S.C. Section 1011 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.