

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 JUL 20 2005 GOD-ARTESA	5. Lease Serial No. LC 028793 A
2. Name of Operator Gruy Petroleum Management Co.			6. If Indian, Allottee or Tribe Name NONE
3a. Address PO Box 14097 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 Section 19-17S-30E BHL: 2300' FSL & 660' FWL Section 19-17S-30E		8. Well Name and No. Grayburg Deep Unit No.17 API Well No. 30-015 - 34214	
		10. Field and Pool, or Exploratory Area Sand Tank Morrow	
		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 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 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 type="checkbox"/> Other
	<input checked="" 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.)

Change the casing design as follows:

Original Design:

13 3/8" 54.5# J55 STC @ 500'
9 5/8" 40# P110/N80 STC @ 4000'
5 1/2" 17# P110 STC @ 12,500'

New Design:

13 3/8" 48# H40 STC @ 500'
9 5/8" 40# J55 LTC @ 4000'
5 1/2" 20# L80 LTC @ 12,500'

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Amy Warren		Title Drilling Technician
Signature <i>Amy Warren</i>		Date 7-13-05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (ORIG. SGD.) ALEXIS C. SWOBODA	PETROLEUM ENGINEER	JUL 19 2005
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 RFO	

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.

(Instructions on page 2)