

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM 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 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 911, Breckenridge, TX 76424	3b. Phone No. (include area code) 254-559-3355	7. If Unit or CA/Agreement, Name and/or No. NMNM71034A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 33, T22S, R36E, SESW, 660 FSL & 1980 FWL		8. Well Name and No. South Eunice 63
		9. API Well No. 30-025-09128-00-S1
		10. Field and Pool, or Exploratory Area S Eunice
		11. County or Parish, State Lea County, NM

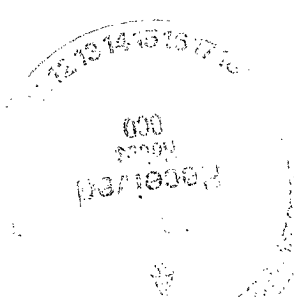
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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.)

Breck Operating Corp. is requesting renewal of TA status of the above mentioned well due to potential changes in operation of the waterflood. You should have in your files a copy of the successful MIT performed on July 30, 2004 and witnessed by Pat Hutchins.

APPROVED FOR 3 MONTH PERIOD
ENDING 11/30/2006



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Donald R. Craig		Title District Engineer
Signature <u>Donald R. Craig</u>		Date 08/14/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <u>Wesley M. Ingram</u>	Title <u>Pete Engel</u>	Date <u>8/24/2006</u>
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 <u>CFO</u>

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)

GWW

**Conditions of Approval
South Eunice #63**

The request for TA has been identical for the six previous years. A new TA will be granted for 90 days based on the following stipulations:

- 1. A plan and timetable must be submitted for action to be taken.**
- 2. If the well cannot be placed on production or other action taken, a plugging and abandonment procedure is to be submitted.**