

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 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 Unit #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 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 type="checkbox"/> Change Plans	<input checked="" 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	

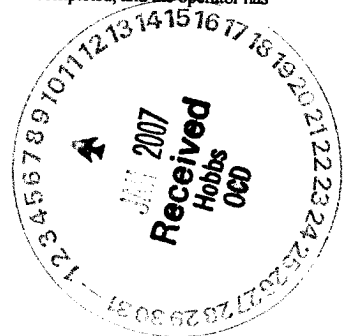
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

Current Status

- 8-5/8" @ 385' cement circ.
- 5-1/2" @ 3774' cement circ.
- CIBP @ 3605' no cement
- Perfs 3650'-3736'

Proposed Plugging Procedure

- Dump 35' cement on CIBP
- Circ w/mud
- 100' plug 3000'-2900' & tag
- 100' plug 11400'-1300'
- 100' plug 415'-315'
- Surface plug 60'-0
- Install dry hole marker
- Clean location

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Ernie Underwood		Title District Engineer
Signature <i>Ernie Underwood</i>	Date 12/14/2006	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPROVED		
Approved by _____ 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 _____ Office _____	Date JAN 3 2007 FREDERICK WRIGHT PETROLEUM ENGINEER

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 Federal or State official or agent of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GWW

PLUGGING & ABANDONMENT WORKSHEET (2 STRING CSNG)

OPERATOR Brook Operating Corp
 LEASENAME Smith, Eunice Unit
 WELL # 63
 SECT 33 TWN 22S RNG 36E
 FROM 1660 NSL 1980 ENL
 TD: 3775' FORMATION @ TD 7 Rivers
 PBTD: 3605' FORMATION @ PBTD

	SIZE	SET @	TOC	TOC DETERMINED BY
SURFACE	8 7/8'	385'	Surface	Circ
INTMED 1				
INTMED 2				
PROD	5 1/2'	3774'	Subs	Circ
	SIZE	TOP	BOT	TOC DETERMINED BY
LINER 1				
LINER 2				
CUT & PULL @			TOP - BOTTOM	
INTMED 1			PERFS	3650' - 3736'
INTMED 2			OPENHOLE	-
PROD				

*REQUIRED PLUGS DISTRICT 1

KUTLER (ANYTS)	1356'
YATES	3112'
QUEEN	3810'
GRAYBURG	
SAN ANDRES	
CAPTAIN REEF	
DELAWARE	
BELL CANYON	
CHERRY CANYON	
BURNET CANYON	
BONE SPRING	
GLORIETA	
ELBERNY	
TUBB	
DECKARD	
ABO	
WC	
PENN	
STRAWN	
ATOKA	
MORROW	
AGE	
DEVONIAN	

PLUG	TYPE	SACKS	DEPTH
PLUG	PLUG	CMNT	
PLUG#1	OH	35 SXS	6400'
PLUG#2	SHOE	50 SXS	5350'-5450'
PLUG#3	CIRP/35'		4800'
PLUG#4	CIRP	25 SXS	4800'
PLUG#5	STUB	50 SXS	3600'-3700'
PLUG#6	BEINR SQZ	200 SXS	400'
PLUG#7	SURF	10 SXS	0-10'
PLUG#8		35' ON CIRP	
PLUG#9		25 SXS	3000'-2900'
PLUG#10		25 SXS	1400'-1300'
PLUG#11		25 SXS	415'-315'
PLUG#12		15 SXS	60' - 0'
PLUG#13			
PLUG#14			
PLUG#15			
PLUG#16			
PLUG#17			
PLUG#18			
PLUG#19			
PLUG#20			

8 7/8'
 @ 385'
 TOC Surface

CIRP @ 3605'

5 1/2"
 @ 3774'
 TOC Surface

TD 3775'

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to P/A this well with the following modifications to the program:
2. Operator's step # 4 should read 1400-1300' w/ a minimum of 25 sacks of cement.
3. Operator's step # 5 should have the bottom of that plug @ 435', to be 50' below the surface casing and this plug should be brought to the surface, since the 25 sack minimum of this plug and the surface plug would exceed the necessary volume.
4. The plugs @ 3000' and 1400' must be tagged, for top and bottom of salt.

*** All plugs, including the surface plug, should be at least 25 sacks of cement and 100 feet.**

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 1/3/07