

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons. District
Hobbs, NM 88241
1980

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NMLC-068281
2. Name of Operator QUAY VALLEY, INC.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 10280; Midland, Texas 79702 915-687-4220	7. If Unit or CA. Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 760' from the North line and 2002' from the West line; Section 31; T26S; R32E	8. Well Name and No. Russell 31 Federal #3
	9. API Well No. 30-025-08303
	10. Field and Pool, or Exploratory Area Battleaxe Delaware
	11. County or Parish, State Lea County, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input type="checkbox"/> Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)		
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*		

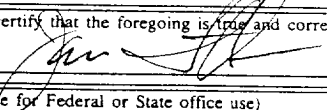
12-16-98 - Notified Hobbs BLM of MI.

12-17-98 - Notified Hobbs BLM, Steve Caffey. MIRU.

12-18-98 - BLM rep. Marlin Deaton on location. RIH w/ tbg and set 4-1/2" CIBP @ 4168'. Circulated hole w/ mud and pumped 10 sx C cmt on top CIBP 4168-4020'. RIH open-ended to 1070' and circulated 75 sx C cmt to surface. Topped off csg w/ cmt. RDMO.

12-28-98- Cut off wellhead, capped well, installed dry hole marker.

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

14. I hereby certify that the foregoing is true and correct		
Signed 	Title JAMES F. NEWMAN, P.E.	Date 12-29-98
(This space for Federal or State office use)		
Approved by (ORIG. SGD.) DAVID R. GLASS	Title ENGINEER	Date JAN 04 1999
Conditions of approval, if any:		