

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003
		WELL API NO. 30-015-33204
		5. Indicate Type of Lease STATE ☒ FEE ☐
		State Oil & Gas Lease No.
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR. ☐ OTHER _____		7. Lease Name or Unit Agreement Name Forni
2. Name of Operator Gruy Petroleum Management Co.		8. Well No. 2
3. Address of Operator P.O. Box 140907, Irving TX 75014-0907		9. Pool name or Wildcat Carlsbad; Morrow, South (Gas)
4. Well Location Unit Letter <u>N</u> : <u>660'</u> Feet From The <u>South</u> Line and <u>660'</u> Feet From The <u>West</u> Line Section <u>15</u> Township <u>22S</u> Range <u>27E</u> NMPM Eddy County		
10. Date Spudded 3-18-04	11. Date T.D. Reached 4-17-04	12. Date Compl. (Ready to Prod.) 7-2-04
13. Elevations (DF& RKB, RT, GR, etc.) 3107' GR		14. Elev. Casinghead
15. Total Depth 11020'	16. Plug Back T.D. 11968'	17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By 12020'
19. Producing Interval(s), of this completion - Top, Bottom, Name 11511' - 11798' Morrow		20. Was Directional Survey Made Yes
21. Type Electric and Other Logs Run Compensated Neutron Micro CFL		22. Was Well Cored No
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
13 3/8"	48# H-40	430'
9 5/8"	36# J-55	3010'
5 1/2"	17# P-110	12020'
24. LINER RECORD		
SIZE	TOP	BOTTOM
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2 7/8"	11384'	11384'
26. Perforation record (interval, size, and number) 11786' - 11798' 3 SPF 11651' - 11716' 2 SPF 11511' - 11586' 3 SPF		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 11786' - 11798' Foam frac 51300# 20/40 Carboprop 11651' - 11716' 260 tons CO2 70235# 20/40 Carboprop 11511' - 11586' 373 tons CO2 107250# 20/40 Carboprop		
28. PRODUCTION		
Date First Production 5-13-04		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing
		Well Status (Prod. or Shut-in) Producing
Date of Test 10-20-04	Hours Tested 24	Choke Size 48/64
Prod'n For Test Period	Oil - Bbl 2	Gas - MCF 1184
	Water - Bbl. 30	Gas - Oil Ratio 592000
Flow Tubing Press. 425	Casing Pressure 0	Calculated 24-Hour Rate 24
	Oil - Bbl. 0	Gas - MCF 1184
	Water - Bbl. 0	Oil Gravity - API - (Corr.)
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold		Test Witnessed By
30. List Attachments C-122, Deviation Report, electric logs		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature <u>Zeno Farris</u>	Printed Name Zeno Farris	Title Manager Operations Admin
E-mail Address <u>zfarris@magnumhunter.com</u>		Date 12-06-04

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn 10360	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 10794	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T. Morrow 11360	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from 11511 to 11798
 No. 2, from to
 No. 3, from to
 No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet.
 No. 2, from to feet.
 No. 3, from to feet.

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
0	2100	2100	Red Beds, Salt, Anhydrite				
2100	5380	3280	Sand, Shale				
5380	8837	3457	Lime, Sand, Shale				
8837	10360	1523	Shale, Lime				
10360	10794	434	Lime, Sand, Shale				
10794	11360	566	Shale, Sand, Lime				
11360	11484	124	Lime, Shale, Sand				
11484	11762	278	Sand, Shale				
11762	11882	120	Sand, Shale				
11882	12020	138	Shale				

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
		Carlsbad; Morrow, South (Gas)
Property Code	Property Name	Well Number
	FORNI	2
OGRID No.	Operator Name	Elevation
162683	Gruy Petroleum Management Co.	3107'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	22-S	27-E		660	SOUTH	660	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
320	N								

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

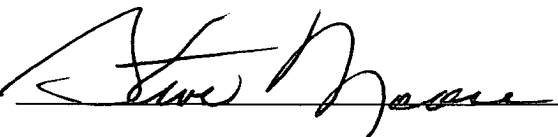
GEODETIC COORDINATES NAD 27 NME Y = 504595.5 N X = 546280.9 E LAT. 32°23'13.77"N LONG. 104°11'00.25"W	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Zeno Farris</u> Signature Zeno Farris Printed Name Manager Operations Admin Title December 14, 2004 Date SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. January 21, 2004 Date Surveyed Signature & Seal Professional Surveyor GARY EIDSON 0413.0083 Certificate No. GARY EIDSON 12641
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OPERATOR: TOM BROWN, INC
WELL/LEASE: FORNI #2
COUNTY: EDDY, NM

046-0025

**STATE OF NEW MEXICO
DEVIATION REPORT**

150	1	6,685	2 3/4	
257	3/4	6,802	2 1/4	
409	2	7,305	1 3/4	
494	1	7,809	1 3/4	
737	1	8,312	1/2	
978	1	8,812	1	
1,471	4	9,324	1 3/4	
1,502	4	9,829	2	
1,523	3	10,173	2 1/2	
1,564	3	10,655	2 1/2	
1,626	3	11,034	1 1/2	
1,658	2 3/4	11,534	1 1/2	
1,690	3	12,020	1 1/2	TD
1,722	3			
1,974	1 1/4			
2,483	3/4			
2,735	1			
2,954	3/4			
3,446	1/2			
3,993	1/2			
4,211	1/2			
4,454	1			
4,989	1/2			
5,460	1/2			
5,990	2			
6,212	3			
6,308	3			
6,402	3			
6,497	3			
6,650	2 3/4			

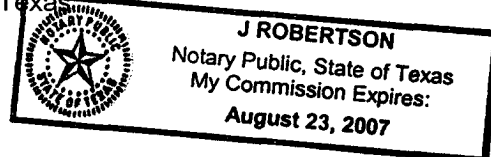
By: 

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 3rd day of May, 2004, by Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.


Notary Public for Midland County, Texas

My Commission Expires: 8/23/2007





Laboratory Services, Inc.

2609 West Marland
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

FOR: Pro Well Testing & Wireline
P.O. Box 791
Hobbs, New Mexico 88241

SAMPLE:
IDENTIFICATION Formi #2
COMPANY: Gruy Petroleum
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED 10/20/04
ANALYSIS DATE: 10/21/04
PRESSURE - PSIG 234
SAMPLE TEMP. °F
ATMOS. TEMP. °F

GAS (XX) LIQUID ()
SAMPLED BY: Charles Haggett
ANALYSIS BY: Vickie Biggs

REMARKS:

COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	0.257	
Carbon Dioxide (CO2)	2.460	
Methane (C1)	93.874	
Ethane (C2)	2.262	0.604
Propane (C3)	0.479	0.132
I-Butane (IC4)	0.063	0.021
N-Butane (NC4)	0.087	0.027
I-Pentane (IC5)	0.020	0.007
N-Pentane (NC5)	0.020	0.007
Hexane Plus (C6+)	0.478	0.207
	100.000	1.005

BTU/CU.FT. - DRY 1029
AT 14.650 DRY 1026
AT 14.650 WET 1008
AT 14.73 DRY 1032
AT 14.73 WET 1014

MOLECULAR WT. 17.6616

SPECIFIC GRAVITY --
CALCULATED 0.609
MEASURED

Submit in duplicate to
appropriate district office.
See Rule 401 & Rule 1122

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED

DEC 21 2004

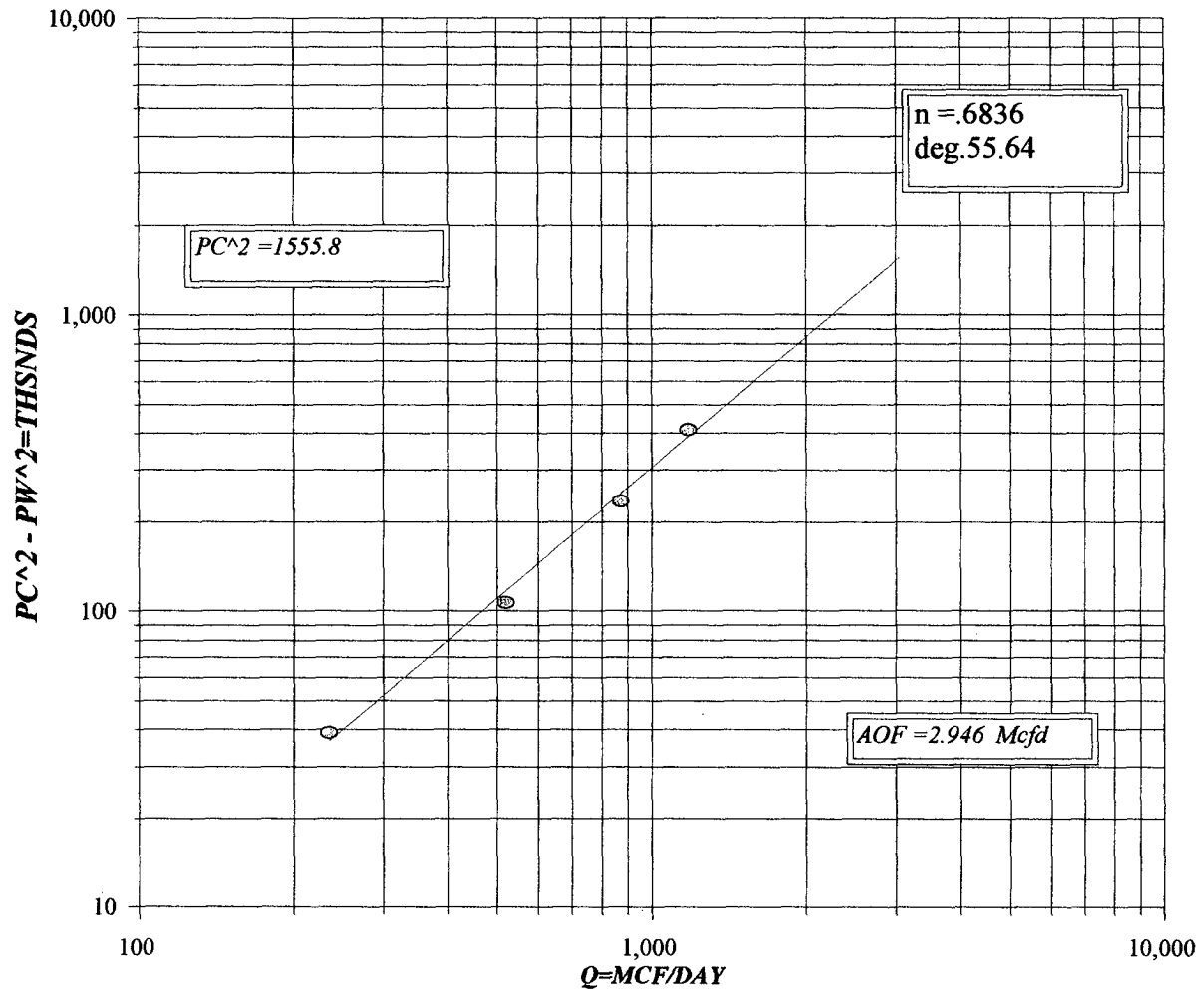
ODD-ARTESIA

Form C-122
Revised October, 1999

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Operator GRUY PETROLEUM					Lease or Unit Name FORNI				
Type Test ☒ Initial ☐ Annual ☐ Special					Test Date 10/20/2004		Well No. 2		
Completion Date 5/17/2004		Total Depth 12020		Plug Back TD 11968'		Elevation 3107'		Unit Ltr - Sec - TWP - Rge N 15 22-S 27-E	
Csg. Size 5 1/2"	Wt. 17#	d 4.892	Set At 12020	Perforations: From: 11509 To: 11798			County EDDY		
Tbg. Size 2 7/8"	Wt. 6.5#	d 2.44	Set At 11384'	Perforations: From: To:			Pool		
Type Well-Single-Bradenhead-G.G. or G.O. Multiple SINGLE				Packer Set At 11384			Formation MORROW		
Producing Thru TUBING		Reservoir Temp. 187		Mean Annual Temp. 60		Baro. Press. -P _a 13.2		Connection SALES	
L 11384	H 11384	Gg 0.609	%CO ₂ 2.46	%N ₂ 0.257	%H ₂ S 0	Prover 0	Meter Run 4.026	Taps FLG	
FLOW DATA				TUBING DATA			CASING DATA		
No.	Prover Line Size	Orifice x Size	Press p.s.i.g.	Diff. h _w	Temp.	Press p.s.i.g.	Temp.	Press p.s.i.g.	Temp.
SI						1234			
1	4.026	x 2.125	225	0.3	86	1218			1 HR
2			227	1.4	105	1189			1 HR
3			230	3.9	104	1132			1 HR
4			233	7	95	1048			1 HR
5									
RATE OF FLOW CALCULATIONS									
No.	COEFFICIENT (24 Hour)		$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress Factor F _{pv}	Rate of Flow Q, Mcfd	
1								235	
2	TOTAL FLOW		METER					521	
3								874	
4								1,184	
5									
No.	P _r	Temp. R	T _r	Z	Gas Liquid Hydrocarbon Ratio DRY GAS Mcf bbl.				
1					A.P. I. Gravity of Liquid Hydrocarbons Deg.				
2		TOTAL	FLOW		Specific Gravity Separator Gas 0.609 XXXXXXXX				
3					Specific Gravity Flowing Fluid XXXXXX N/A				
4					Critical Pressure 680 P.S.I.A. P.S.I.A.				
5					Critical Temperature 351 R. R.				
P _c 1247.3 P _{c2} 1555.8									
No.	P _t ²	P _w	P _w ²	P _c ² - P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2} = \frac{3.794}{\quad}$ (2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = \frac{2.488}{\quad}$				
1		1231.5	1516.6	38.9					
2		1203.7	1449	186.5					
3		1149.8	1321.9	233.6					
4		1070.3	1145.5	410					
5					AOF = Q $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = \frac{2.946}{\quad}$				
Absolute Open Flow 2,946					Mcf/d @ 15.025		Angle of Slope (°): 55.64		Slope, n: 0.6836
Remarks: * NO LIQUID MADE DURING TEST									
Approved By Division:			Conducted By: PRO WELL TESTING		Calculated By: MERV BUECKER			Checked By: MB	

GRUY PETR. MANAGEMENT
FORNI #2



COMPANY : GRUY PETR. MANAGEMET				LEASE : FORNI				WELL NO. : 2				Pc2 = 1247.2				Pc2 = 1555.5			
UNIT : N				SECTION : 15				TOWNSHIP : 22S				Pc2 = 1515.9				Pw = 1231.5			
L : 11384				H : 11384				L/H : 1				GGMIX : 0.609				Pw = 1203.7			
%CO2 : 2.46				%N2 : 0.257				H2S : 10/20/04				Pw = 1445.3				Pw = 1149.8			
d : 2.441				Fr : 0.010763				GH : 8197.0				Pw = 1311.5				Pw = 1070.3			
												Pw = 1126.1							
VOL 1 : 235				PSIA 1 : 1231.2				RESV.TEMP				Pw2 = 1516.6							
VOL 2 : 521				PSIA 2 : 1202.2								Pw2 = 1449.0							
VOL 3 : 874				PSIA 3 : 1145.2				SHUT-IN PRE = 1247.2				Pw2 = 1321.9							
VOL 4 : 1184				PSIA 4 : 1061.2								Pw2 = 1145.5							
												n = 0.684							
												Pc2/(Pc2-Pw2) = 39.982							
												Pc2/(Pc2-Pw2)n = 14.601							
												Pc2/(Pc2-Pw2)n = 6.659							
												Pc2/(Pc2-Pw2)n = 3.794							
												AOQ = Q							
												2.925							
												3.257							
												3.195							
												2.946							
LINE	RATE 1	RATE 2	RATE 3	RATE 4	1ST	2ND	1ST	2ND	1ST	2ND	1ST	2ND	1ST	2ND	1ST	2ND	1ST	2ND	
1 QM	0.235	0.521	0.874	1.184	0.235	0.521	0.874	1.184	0.235	0.521	0.874	1.184	0.235	0.521	0.874	1.184	0.235	0.521	
2 TW	534	534	534	534	534	534	534	534	534	534	534	534	534	534	534	534	534	534	
3 Ts	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	647.0	
4 T	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	590.5	
PR (est)	1.81	1.77	1.68	1.56	1.81	1.77	1.68	1.56	1.81	1.77	1.68	1.56	1.81	1.77	1.68	1.56	1.81	1.77	
5 Z(est)	0.872	0.874	0.878	0.883	0.872	0.874	0.878	0.883	0.872	0.874	0.878	0.883	0.872	0.874	0.878	0.883	0.872	0.874	
6 TZ	515.0	516.1	518.3	521.6	515.0	516.1	518.3	521.6	515.0	516.1	518.3	521.6	515.0	516.1	518.3	521.6	515.0	516.1	
7 GH/TZ	15.917	15.884	15.816	15.714	15.917	15.884	15.816	15.714	15.917	15.884	15.816	15.714	15.917	15.884	15.816	15.714	15.917	15.884	
8 eS	1.816	1.832	1.810	1.803	1.816	1.832	1.810	1.803	1.816	1.832	1.810	1.803	1.816	1.832	1.810	1.803	1.816	1.832	
9 Ie-S	0.449	0.454	0.447	0.445	0.449	0.454	0.447	0.445	0.449	0.454	0.447	0.445	0.449	0.454	0.447	0.445	0.449	0.454	
10 Pt	1231.2	1202.2	1145.2	1061.2	1231.2	1202.2	1145.2	1061.2	1231.2	1202.2	1145.2	1061.2	1231.2	1202.2	1145.2	1061.2	1231.2	1202.2	
11 P2/1000	1515.9	1445.3	1311.5	1126.1	1515.9	1445.3	1311.5	1126.1	1515.9	1445.3	1311.5	1126.1	1515.9	1445.3	1311.5	1126.1	1515.9	1445.3	
12 Fr	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	0.010763	
13 Fe=FrTZ	5.543	5.554	5.578	5.614	5.543	5.554	5.578	5.614	5.543	5.554	5.578	5.614	5.543	5.554	5.578	5.614	5.543	5.554	
14 FcQm	1.30	2.89	4.88	6.65	1.30	2.89	4.88	6.65	1.30	2.89	4.88	6.65	1.30	2.89	4.88	6.65	1.30	2.89	
15 L/H(FcQm)2	1.7	8.4	23.8	44.2	1.7	8.4	23.8	44.2	1.7	8.4	23.8	44.2	1.7	8.4	23.8	44.2	1.7	8.4	
16 Fw	0.7626085	3.7583379	10.633452	19.675757	0.7626085	3.7583379	10.633452	19.675757	0.7626085	3.7583379	10.633452	19.675757	0.7626085	3.7583379	10.633452	19.675757	0.7626085	3.7583379	
17 Pw2	1516.6	1449.0	1322.1	1145.8	1516.6	1449.0	1322.1	1145.8	1516.6	1449.0	1322.1	1145.8	1516.6	1449.0	1322.1	1145.8	1516.6	1449.0	
18 Ps2	2754.9	2628.8	2392.5	2082.3	2754.9	2628.8	2392.5	2082.3	2754.9	2628.8	2392.5	2082.3	2754.9	2628.8	2392.5	2082.3	2754.9	2628.8	
19 Ps	1659.8	1666.8	1546.8	1437.2	1659.8	1666.8	1546.8	1437.2	1659.8	1666.8	1546.8	1437.2	1659.8	1666.8	1546.8	1437.2	1659.8	1666.8	
20 P	1445.5	1449.0	1346.0	1249.2	1445.5	1449.0	1346.0	1249.2	1445.5	1449.0	1346.0	1249.2	1445.5	1449.0	1346.0	1249.2	1445.5	1449.0	
21 Pr	2.13	2.08	1.98	1.84	2.13	2.08	1.98	1.84	2.13	2.08	1.98	1.84	2.13	2.08	1.98	1.84	2.13	2.08	
22 Tr	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	
23 Z	0.860	0.862	0.865	0.871	0.860	0.862	0.865	0.871	0.860	0.862	0.865	0.871	0.860	0.862	0.865	0.871	0.860	0.862	