

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Gruy Petroleum Management Co.

3a. Address PO Box 140907
Irving, TX 75014

3b. Phone No. (include area code)
972-401-3111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL 950' FNL & 1980' FWL BHL 800 FNL & 1600' FWL
Section 20-T24S-R26E

5. Lease Serial No.
NM LC 065347

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
SW-93

8. Well Name and No.
White City Penn 20 GCU 2 No. 4

9. API Well No.
30-015-33914

10. Field and Pool, or Exploratory Area
White City; Penn (Gas)

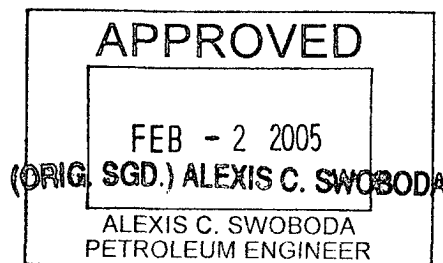
11. County or Parish, State
Eddy Co., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Amend BHL location
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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.)

Amend BHL to 800' FNL & 1600' FWL per attached plat and directional.



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Zeno Farris

Signature

Zeno Farris

Title

Manager, Operations Administration

Date

12-15-04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

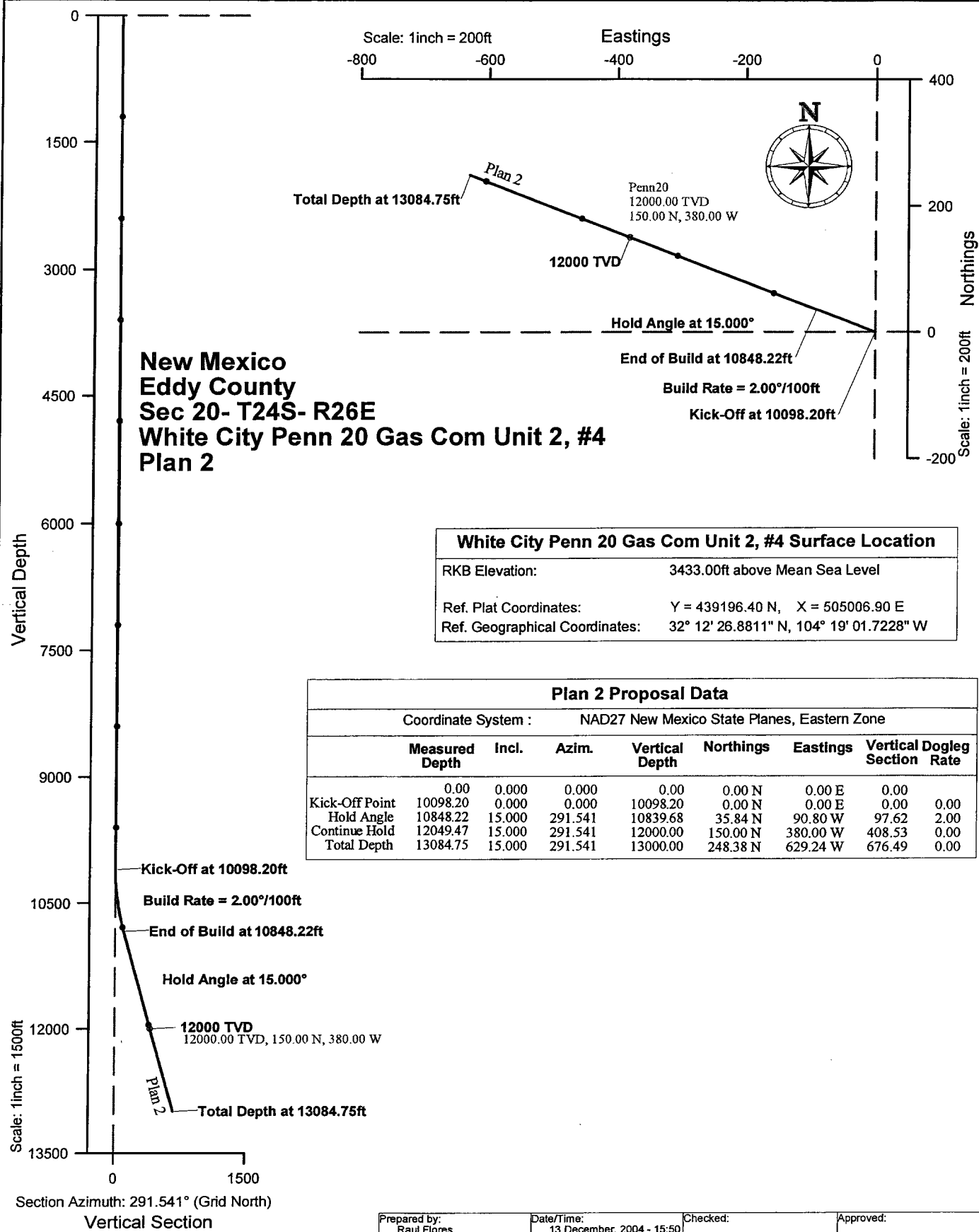
Date

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

Title 18 U.S.C. Section 1001, makes 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 reverse)





Gruy Petroleum Management
New Mexico
Eddy County
Sec 20- T24S- R26E
White City Penn 20 Gas Com Unit 2, #4 - Plan 2

Sperry-Sun

Proposal Report

13 December, 2004

Proposal Ref: pro8889

RECEIVED
FEB 03 2005
OCCUPANCY

HALLIBURTON

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Gruy Petroleum Management
New Mexico
Eddy County

Proposal Report for Sec 20- T24S- R26E - White City Penn 20 Gas Com Unit 2, #4 - Plan 2

Measured Depth (ft)	Incl.	Grid Azim.	Sub-Sea Depth (ft)	Vertical Depth (ft)	Local Coordinates Northings (ft)	Eastings (ft)	Map Coordinates Northings (ft)	Eastings (ft)	Dogleg Rate (°/100ft)	Vertical Section	Comment
0.00	0.000	0.000	-3433.00	0.00	0.00 N	0.00 E	439196.40 N	505006.90 E	0.00	0.00	
10098.20	0.000	0.000	6665.20	10098.20	0.00 N	0.00 E	439196.40 N	505006.90 E	0.00	0.00	Kick-Off at 10098.20ft
10100.00	0.036	291.541	6667.00	10100.00	0.00 N	0.00 E	439196.40 N	505006.90 E	2.00	0.00	
10200.00	2.036	291.541	6766.98	10199.98	0.66 N	1.68 W	439197.06 N	505005.22 E	2.00	1.81	
10300.00	4.036	291.541	6866.83	10299.83	2.61 N	6.61 W	439199.01 N	505000.29 E	2.00	7.10	
10400.00	6.036	291.541	6966.44	10399.44	5.83 N	14.77 W	439202.23 N	504992.13 E	2.00	15.88	
10473.21	7.500	291.541	7039.14	10472.14	9.00 N	22.80 W	439205.40 N	504984.10 E	2.00	24.51	Build Rate = 2.00°/100ft
10500.00	8.036	291.541	7065.68	10498.68	10.33 N	26.17 W	439206.73 N	504980.73 E	2.00	28.13	
10600.00	10.036	291.541	7164.44	10597.44	16.10 N	40.77 W	439212.50 N	504966.13 E	2.00	43.84	
10700.00	12.036	291.541	7262.58	10695.58	23.12 N	58.58 W	439219.52 N	504948.32 E	2.00	62.98	
10800.00	14.036	291.541	7360.00	10793.00	31.40 N	79.56 W	439227.80 N	504927.34 E	2.00	85.53	
10848.22	15.000	291.541	7406.68	10839.68	35.84 N	90.80 W	439232.24 N	504916.10 E	2.00	97.62	End of Build at 10848.22ft
10900.00	15.000	291.541	7456.70	10889.70	40.76 N	103.27 W	439237.16 N	504903.63 E	0.00	111.02	
11000.00	15.000	291.541	7553.29	10986.29	50.27 N	127.34 W	439246.67 N	504879.56 E	0.00	136.90	
11100.00	15.000	291.541	7649.88	11082.88	59.77 N	151.42 W	439256.17 N	504855.48 E	0.00	162.79	
11200.00	15.000	291.541	7746.47	11179.47	69.27 N	175.49 W	439265.67 N	504831.41 E	0.00	188.67	
11300.00	15.000	291.541	7843.07	11276.07	78.78 N	199.57 W	439275.18 N	504807.33 E	0.00	214.55	
11400.00	15.000	291.541	7939.66	11372.66	88.28 N	223.84 W	439284.68 N	504783.26 E	0.00	240.43	
11448.84	15.000	291.541	7986.84	11419.84	92.92 N	235.40 W	439289.32 N	504771.50 E	0.00	253.08	Hold Angle at 15.000°
11500.00	15.000	291.541	8036.25	11469.25	97.78 N	247.72 W	439294.18 N	504759.18 E	0.00	266.32	
11600.00	15.000	291.541	8132.84	11565.84	107.29 N	271.79 W	439303.69 N	504735.11 E	0.00	292.20	
11700.00	15.000	291.541	8229.44	11662.44	116.79 N	295.87 W	439313.19 N	504711.03 E	0.00	318.08	
11800.00	15.000	291.541	8326.03	11759.03	126.29 N	319.94 W	439322.69 N	504686.96 E	0.00	343.96	
11900.00	15.000	291.541	8422.62	11855.62	135.80 N	344.02 W	439332.20 N	504662.88 E	0.00	369.85	
12000.00	15.000	291.541	8519.21	11952.21	145.30 N	368.09 W	439341.70 N	504638.81 E	0.00	395.73	
12049.47	15.000	291.541	8567.00	12000.00	150.00 N	380.00 W	439346.40 N	504626.90 E	0.00	408.53	12000 TVD
12100.00	15.000	291.541	8615.81	12048.81	154.80 N	392.16 W	439351.20 N	504614.74 E	0.00	421.61	Target - Penn20, Current Target
12200.00	15.000	291.541	8712.40	12145.40	164.30 N	416.24 W	439360.70 N	504590.66 E	0.00	447.49	
12300.00	15.000	291.541	8808.99	12241.99	173.81 N	440.31 W	439370.21 N	504566.59 E	0.00	473.38	
12400.00	15.000	291.541	8905.58	12338.58	183.31 N	464.39 W	439379.71 N	504542.51 E	0.00	499.26	

HALLIBURTON

Gruy Petroleum Management
New Mexico
Eddy County

Proposal Report for Sec 20- T24S- R26E - White City Penn 20 Gas Com Unit 2, #4 - Plan 2

Measured Depth (ft)	Incl.	Grid Azim.	Sub-Sea Depth (ft)	Vertical Depth (ft)	Local Coordinates Northings (ft)	Local Coordinates Eastings (ft)	Map Coordinates Northings (ft)	Map Coordinates Eastings (ft)	Dogleg Rate (°/100ft)	Vertical Section	Comment
12500.00	15.000	291.541	9002.18	12435.18	192.81 N	488.46 W	439389.21 N	504518.44 E	0.00	525.14	
12600.00	15.000	291.541	9098.77	12531.77	202.32 N	512.54 W	439398.72 N	504494.36 E	0.00	551.02	
12700.00	15.000	291.541	9195.36	12628.36	211.82 N	536.61 W	439408.22 N	504470.29 E	0.00	576.91	
12800.00	15.000	291.541	9291.95	12724.95	221.32 N	560.69 W	439417.72 N	504446.21 E	0.00	602.79	
12900.00	15.000	291.541	9388.55	12821.55	230.83 N	584.76 W	439427.23 N	504422.14 E	0.00	628.67	
13000.00	15.000	291.541	9485.14	12918.14	240.33 N	608.84 W	439436.73 N	504398.06 E	0.00	654.55	
13084.75	15.000	291.541	9567.00	13000.00	248.38 N	629.24 W	439444.78 N	504377.66 E	0.00	676.49	Total Depth at 13084.75ft

All data is in Feet (US) unless otherwise stated. Directions and coordinates are relative to Grid North. Vertical depths are relative to RKB=3413+20est=3433. Northings and Eastings are relative to Well. Global Northings and Eastings are relative to NAD27 New Mexico State Planes, Eastern Zone.

The Dogleg Severity is in Degrees per 100 feet.

Vertical Section is from Well and calculated along an Azimuth of 291.541° (Grid).

Based upon Minimum Curvature type calculations, at a Measured Depth of 13084.75ft.,

The Bottom Hole Displacement is 676.49ft., in the Direction of 291.541° (Grid).

Comments

Measured Depth (ft)	TVD (ft)	Station Coordinates Northings (ft)	Station Coordinates Eastings (ft)	Comment
10098.20	10098.20	0.00 N	0.00 E	Kick-Off at 10098.20ft
10473.21	10472.14	9.00 N	22.80 W	Build Rate = 2.00°/100ft
10848.22	10839.68	35.84 N	90.80 W	End of Build at 10848.22ft
11448.84	11419.84	92.92 N	235.40 W	Hold Angle at 15.000°
12049.47	12000.00	150.00 N	380.00 W	12000 TVD
13084.75	13000.00	248.38 N	629.24 W	Total Depth at 13084.75ft

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Targets associated with this wellpath

Target Name	Target Entry Coordinates			Target Shape	Target Type
	TVD (ft)	Northings (ft)	Eastings (ft)		
Penn20	12000.00	150.00 N	380.00 W	Point	Current Target
	8567.00	439346.40 N	504626.90 E		
	Mean Sea Level/Map Coordinates: Geographical Coordinates:				
		32° 12' 28.3661" N	104° 19' 06.1455" W		

North Reference Sheet for Sec 20- T24S- R26E - White City Penn 20 Gas Com Unit 2, #4

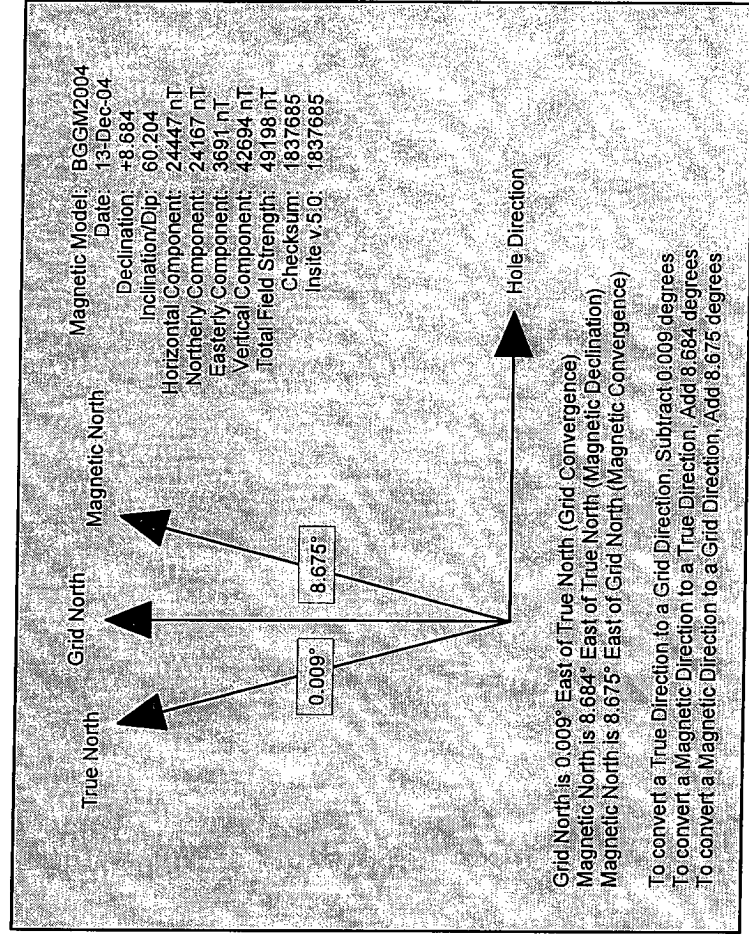
Coordinate System is NAD27 New Mexico State Planes, Eastern Zone, US Foot
Source: Snyder, J.P., 1987, Map Projections - A Working Manual

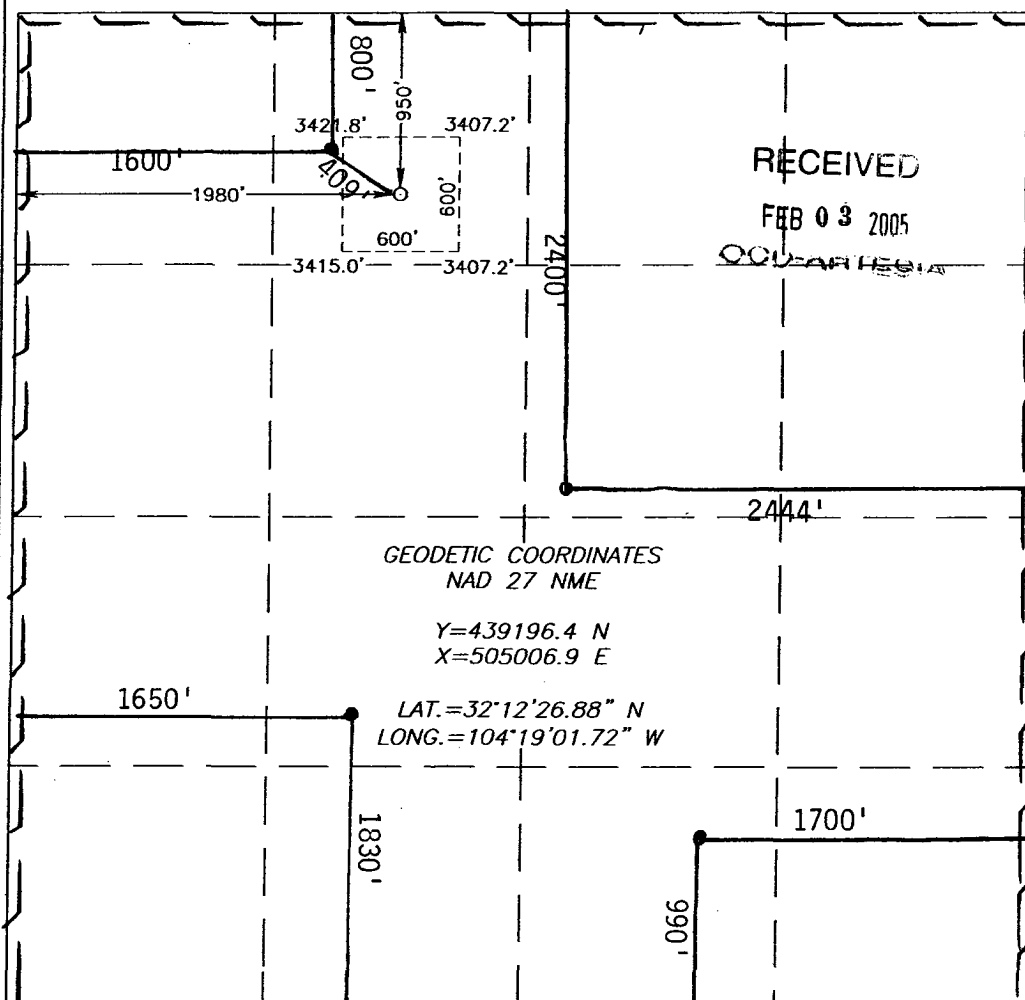
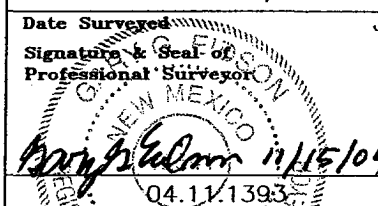
Datum is North American Datum of 1927 (US48, AK, HI, and Canada)

Spheroid is Clarke - 1866
Equatorial Radius: 6378206.400m.
Polar Radius: 6356583.800m.
Inverse Flattening: 294.978698213901

Projection method is Transverse Mercator or Gauss Kruger Projection
Central Meridian is -104.333°
Longitude Origin: 0.000°
Latitude Origin: 31.000°
False Easting: 152400.00m
False Northing: 0.00m
Scale Reduction: 0.99990909

Grid Coordinates of Well: 439196.40 N, 505006.90 E
Geographical Coordinates of Well: 32° 12' 26.8811" N, 104° 19' 01.7228" W
Surface Elevation of Well: 3433.00ft
Grid Convergence at Surface is +0.009°
Magnetic Convergence at Surface is -8.675° (13 December, 2004)



 RECEIVED FEB 03 2005 OCCUPANCY GEODETIC COORDINATES NAD 27 NME Y=439196.4 N X=505006.9 E LAT.=32°12'26.88" N LONG.=104°19'01.72" W	OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> Zeno Farris Signature Zeno Farris Printed Name Manager Operations Admin Title December 15, 2004 Date
	SURVEYOR CERTIFICATION <i>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.</i> NOVEMBER 11, 2004
	Date Surveyed JR
	Signature & Seal of Professional Surveyor 
	Certificate No. GARY EIDSON 12841