

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL:		OIL WELL ☐	GAS WELL ☒	DRY ☐	Other _____		
b. TYPE OF COMPLETION:		NEW WELL ☒	WORK OVER ☐	DEEP-EN ☐	PLUG BACK ☐	DIFF. REVR. ☐	Other _____
2. NAME OF OPERATOR Gruy Petroleum Management Co.						12. COUNTY OR PARISH Eddy	
3. ADDRESS AND TELEPHONE NO. P O Box 140907 Irving Tx. 75014-0907						13. STATE NM	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1350' FSL & 2050' FWL At top prod. interval reported below 1397' FSL & 2051' FWL At total depth 1374' FSL & 1616' FWL						14. PERMIT NO. _____ DATE ISSUED _____	
15. DATE SPUDDED 05-25-05		16. DATE T.D. REACHED 07-06-05		17. DATE COMPL. (Ready to prod.) 08-27-05		18. ELEVATIONS (DF, RKB, RT, OR, ETC.)* 3,465' GR	
20. TOTAL DEPTH, MD & TVD MD 12207' TVD 12155'		21. PLUG, BACK T.D., MD & TVD MD 12117' TVD 12112'		22. IF MULTIPLE COMPL., HOW MANY* →		23. INTERVALS DRILLED BY → All	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* White City; Penn MD 11491' - 11795' White City; Penn TVD 11437' - 12137'						25. WAS DIRECTIONAL SURVEY MADE Yes	
26. TYPE ELECTRIC AND OTHER LOGS RUN DSN, DLL, CBL						27. WAS WELL CORRED No	
28. CASING RECORD (Report all strings set in well)							
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD		AMOUNT PULLED	
13-3/8" J-55	54.5#	244'	17-1/2"	250sx PremPlus circ 67sx to surf			
9-5/8" N-80	40 #	1572'	12 1/4"	1125sx IntC/PremPlus circ 97sx to surf			
5 1/2" P-110	17#	12215'	8-3/4"	3470sx IntH/SupH/IntC/Prem Plus Neat TOC @ 1500'			
29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	11441'	
31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
11786' - 11795' 6 JSPF 54 Holes				DEPTH INTERVAL (MD)			
11572' - 11603' 6 JSPF 90 Holes				11786' - 11795'			
11491' - 11500' 6 JSPF 54 Holes				11572' - 11603'			
				11491' - 11500'			
				AMOUNT AND KIND OF MATERIAL USED			
				16174gal foam CO2 + Meth & 24000# VProp			
				32245gal foam CO2 + Meth & 45000# VProp			
				58646gal foam CO2 + Meth & 32000# VProp			
33. PRODUCTION							
DATE FIRST PRODUCTION 09-17-05		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 09-28-05	HOURS TESTED 24	CHOKER SIZE open	PROD'N. FOR TEST PERIOD →	OIL—BBL. 0	GAS—MCF. 2633	WATER—BBL. 5	GAS-OIL RATIO NA
FLOW. TUBING PRESS. 950	CASING PRESSURE 500	CALCULATED 24-HOUR RATE →	OIL—BBL. 0	GAS—MCF. 2633	WATER—BBL. 5	OIL GRAVITY-API (CORR.) NA	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold						TEST WITNESSED BY	
35. LIST OF ATTACHMENTS Electric logs and Inclination Summary							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records							
SIGNED <u>Natalie Krueger</u>		TITLE <u>Reg Tech</u>			DATE <u>10-28-05</u>		

*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Bone Spring	5272'	
				Wolfcamp	8312'	
				Cisco-Canyon	9876'	
				Strawn	10182'	
				Morrow	11023'	

DISTRICT I
1625 N FRENCH DR. MOORE, NM 88240

DISTRICT II
1501 W GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd. Artesia, NM 87410

DISTRICT IV
1226 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 18, 2003
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
Property Code	Property Name J.M. GATES NCT 1	Well Number 3
OGRID No.	Operator Name GRUY PETROLEUM MANAGEMENT COMPANY	Elevation 3465'

Surface Location

UI or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	24-S	26-E		1350	SOUTH	2050	WEST	EDDY

Bottom Hole Location If Different From Surface

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	24-S	26-E		1350	SOUTH	1650	WEST	EDDY
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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

LOT 1	GEODETIC COORDINATES NAD 27 NME SURF. Y=430870.2 N X=499870.9 E LAT.=32°11'04.49" N LONG.=104°20'01.50" W	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature _____ Printed Name _____ Title _____ 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 19, 2005 Date Surveyed _____ JR Signature & Seal of Professional Surveyor <i>GARY G. EIDSON</i> 12511.0003 12511 Certificate No. GARY EIDSON 12511
LOT 2		
LOT 3		
LOT 4		
B.H. Y=430870.4 N X=499471.5 E GRAZ.=270°00 400.0' 3460.5 3457.2 600' 600' 1650 2050 3473.1 3476.5 1350 1350 BHL 23.70°N 434.01W		

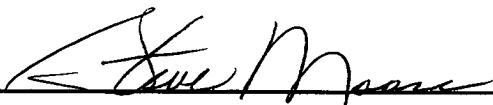
OPERATOR Magnum Hunter Resources dba Gruy Petroleum Management
WELL/LEASE JM Gates Fed. NCT #1
COUNTY Eddy, NM

075-0037

STATE OF NEW MEXICO
DEVIATION REPORT

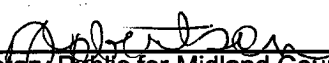
137	3/4
235	3/4
518	1
952	2 1/2
1,183	3 1/2
1,209	3 1/2
1,227	3 1/2
1,362	3
1,560	3
1,643	1 1/2
2,070	2
2,541	1
3,079	1
3,581	1
4,085	1
4,593	1
5,097	1
5,602	1
5,692	1/2
6,210	1
6,684	1
7,042	1
7,505	1
8,009	1
8,515	1
8,980	2 1/2
9,012	2
9,206	2
9,336	1
9,852	1

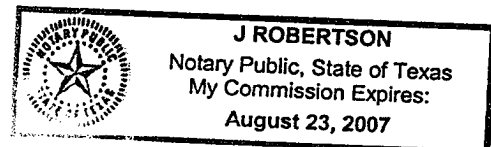
RECEIVED
AUG 12 2005
MAILROOM

BY: 

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on August 10, 2005, by Steve Moore on behalf of Patterson - UTI Drilling Company, LP, LLLP.


Notary Public for Midland County, Texas
My Commission Expires: 8/23/07



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 Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
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Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-34030	Pool Code	Pool Name White City; Penn (Gas)
Property Code	Property Name J.M. GATES NCT 1 FEDERAL	Well Number 3
OGRID No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT COMPANY	Elevation 3465'

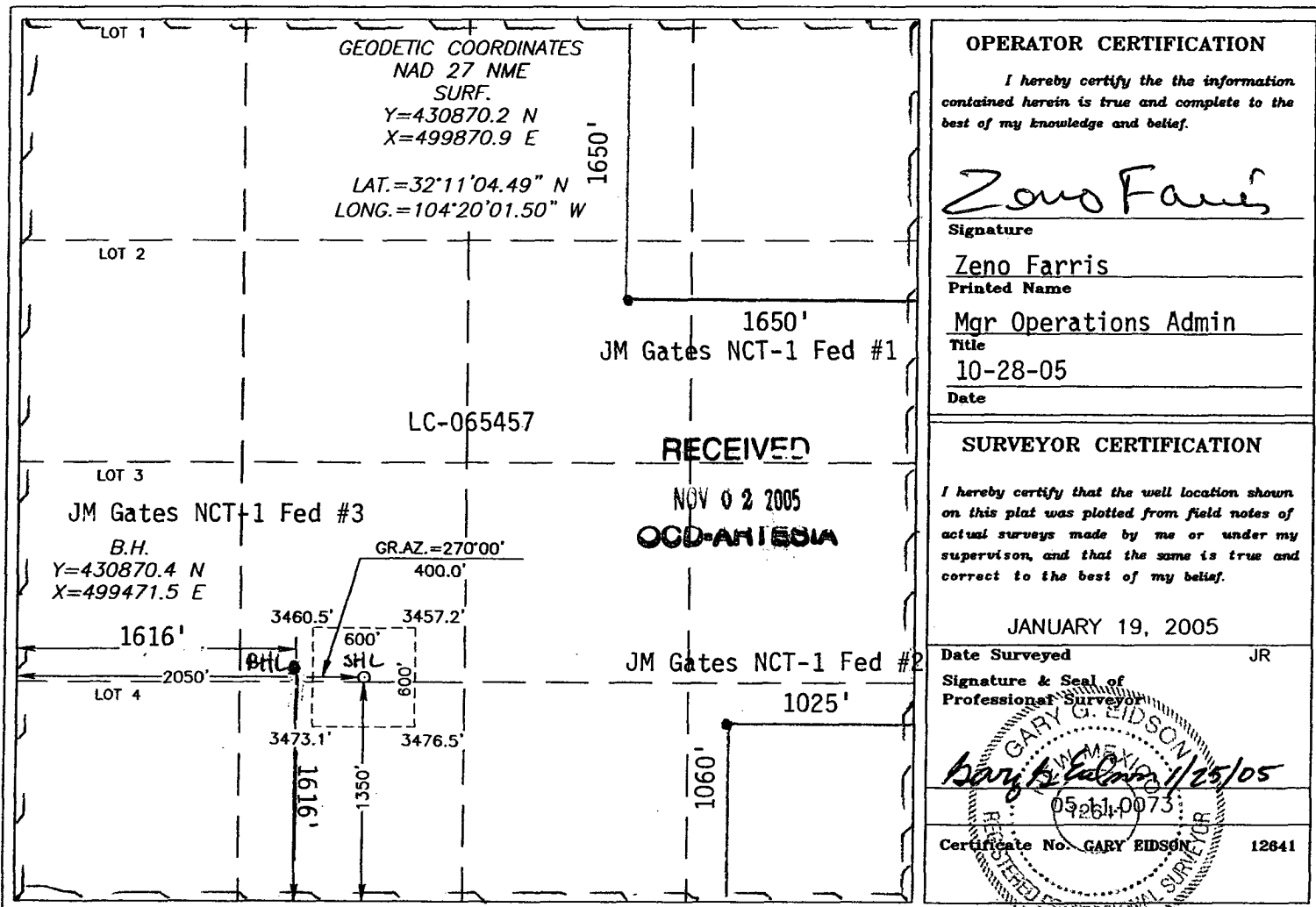
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	24-S	26-E		1350	SOUTH	2050	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
K	30	24-S	26-E		1374	SOUTH	1616	WEST	EDDY
Dedicated Acres 640	Joint or Infill Y	Consolidation Code	Order No.						

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





End of Well Report

J. M. Gates NCT 1 #3

Gruy Petroleum management Co.

7/14/2005

RECEIVED
NOV 02 2005
OCCUPATIONAL

HALLIBURTON

9800 W RENO • OKLA CITY, OK 73127
PHONE 405.324.2222 • FAX 405.324.1009

July 18, 2005

Re: Gruy Petroleum Management Co.
J M. Gates NCI 1 #3
Sec. 30-I24S-R26E
Eddy County, New Mexico

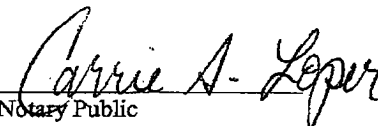
Enclosed please find the original and one copy of the surveys performed on the referenced well by Halliburton/Sperry Drilling Services

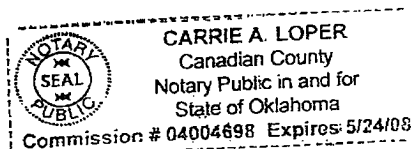
<u>Name & Title of Supervisor</u>	<u>Drainhole Number</u>	<u>Surveyed Depths</u>	<u>Dates Performed</u>	<u>Type of Survey</u>
Dennis Cook Field Supervisor	Original	9,300' – 11,768'	06/14/05 – 07/07/05	MWD
Dennis Cook Field Supervisor	Projection to TD	11,768' – 12,207'		MWD

If any other information is required, please contact the undersigned at the letterhead address and phone number


Dennis Cook
Field Supervisor

My Commission Expires: 5/24/08


Notary Public





**Gruy Petroleum Management Co.,
New Mexico
Eddy County
Sec. 30-T24S-R26E
J.M. Gates NCT 1 #3 - MWD Survey**

Halliburton Sperry-Drilling Survey Report

12 July, 2005

Surface Coordinates: 430870.20 N, 499870.90 E (32° 11' 04.4852" N, 104° 20' 01.5023" W)
Grid Coordinate System: NAD27 New Mexico State Planes, Eastern Zone

Surface Coordinates relative to Center of County: 114742.56 S, 129.10 W (Grid)
Surface Coordinates relative to SW Cor Sec 30: 0.49 S, 0.19 W (Grid)
Kelly Bushing Elevation: 3485.00ft above Mean Sea Level
Kelly Bushing Elevation: 3485.00ft above Structure

Survey Ref: svy9059

HALLIBURTON

Sperry Drilling Services

HALLIBURTON

Sperry Drilling Services

Gruy Petroleum Management Co.
New Mexico
Eddy County**Survey Report for Sec. 30-T24S-R26E - J.M. Gates NCT 1 #3 - MWD Survey**

Measured Depth (ft)	Incl.	Grid Azim.	Sub-Sea Depth (ft)	Vertical Depth (ft)	Local Coordinates		Global Coordinates		Dogleg Rate (°/100ft)	Vertical Section	Comment
					Northings (ft)	Eastings (ft)	Northings (ft)	Eastings (ft)			
9300.00	0.260	348.590	5811.54	9296.54	42.85 N	6.88 E	430913.05 N	499877.78 E		-6.88	Tie From GYRO
9633.00	0.660	327.690	8144.53	9629.53	45.21 N	5.71 E	430915.41 N	499876.81 E	0.13	-5.71	
9890.00	1.330	271.000	6501.48	9986.48	47.02 N	0.46 E	430917.22 N	499871.36 E	0.31	-0.46	
10059.00	1.570	257.840	6570.46	10055.46	46.84 N	1.26 W	430917.04 N	499869.64 E	0.59	1.26	
10122.00	2.840	266.150	6633.41	10118.41	46.55 N	3.66 W	430916.75 N	499867.24 E	2.07	3.66	
10185.00	3.430	267.400	6696.32	10181.32	46.36 N	7.10 W	430916.56 N	499863.80 E	0.94	7.10	
10248.00	4.370	264.410	6759.17	10244.17	46.04 N	11.37 W	430916.24 N	499859.53 E	1.53	11.37	
10311.00	5.700	268.300	6821.92	10306.92	45.71 N	16.89 W	430915.91 N	499854.01 E	2.18	16.89	
10374.00	7.120	269.230	6884.53	10369.53	45.57 N	23.92 W	430915.77 N	499846.98 E	2.26	23.92	
10438.00	8.630	271.780	6947.92	10432.92	45.66 N	32.69 W	430915.86 N	499838.21 E	2.42	32.69	
10501.00	9.620	268.920	7010.13	10495.13	45.71 N	42.67 W	430915.91 N	499828.23 E	1.73	42.67	
10564.00	10.740	265.400	7072.13	10557.13	45.14 N	53.79 W	430915.34 N	499817.11 E	2.03	53.79	
10627.00	11.940	265.560	7133.90	10618.90	44.17 N	66.14 W	430914.37 N	499804.76 E	1.91	66.14	
10690.00	12.910	265.020	7195.43	10680.43	43.05 N	79.65 W	430913.25 N	499791.25 E	1.55	79.65	
10754.00	14.180	265.300	7257.65	10742.65	41.79 N	94.58 W	430911.99 N	499776.32 E	1.99	94.58	
10817.00	15.230	263.830	7318.58	10803.58	40.27 N	110.50 W	430910.47 N	499760.40 E	1.77	110.50	
10880.00	15.140	264.910	7379.36	10864.36	38.65 N	126.92 W	430908.85 N	499743.98 E	0.47	126.92	
10944.00	15.390	266.810	7441.12	10926.12	37.43 N	143.73 W	430907.63 N	499727.17 E	0.87	143.73	
11007.00	15.710	268.970	7501.82	10988.82	36.52 N	160.59 W	430906.72 N	499710.31 E	0.51	160.59	
11070.00	15.710	267.740	7562.46	11047.46	35.73 N	177.63 W	430905.93 N	499693.27 E	0.33	177.63	
11133.00	15.710	267.380	7623.11	11108.11	35.00 N	194.67 W	430905.20 N	499676.23 E	0.15	194.67	
11197.00	16.210	266.030	7684.84	11169.84	33.99 N	212.24 W	430904.19 N	499658.68 E	0.97	212.24	
11260.00	16.470	262.870	7745.25	11230.25	32.34 N	229.35 W	430902.54 N	499641.55 E	1.80	229.35	
11324.00	15.130	260.080	7806.99	11291.99	29.84 N	246.05 W	430900.04 N	499624.85 E	1.27	246.05	
11387.00	14.080	261.520	7867.95	11352.95	27.29 N	261.73 W	430897.49 N	499609.17 E	1.76	261.73	

HALLIBURTON

Sperry Drilling Services

Gruy Petroleum Management Co.
New Mexico
Eddy County**Survey Report for Sec. 30-T24S-R26E - J.M. Gates NCT 1 #3 - MWD Survey**

Measured Depth (ft)	Incl. (ft)	Grid Azim.	Sub-Sea Depth (ft)	Vertical Depth (ft)	Local Coordinates		Global Coordinates		Dogleg Rate (°/100ft)	Vertical Section	Comment
					Northings (ft)	Eastings (ft)	Northings (ft)	Eastings (ft)			
11451.00	13.030	264.030	7930.17	11415.17	25.39 N	276.60 W	430895.59 N	499594.30 E	1.88	276.60	
11514.00	11.840	266.510	7991.69	11476.69	24.26 N	290.12 W	430894.46 N	499580.78 E	2.07	290.12	
11578.00	12.380	266.040	8054.26	11539.26	23.39 N	303.52 W	430893.59 N	499567.38 E	0.86	303.52	
11641.00	12.520	267.600	8115.78	11600.78	22.64 N	317.08 W	430892.84 N	499553.82 E	0.58	317.08	
11704.00	12.180	269.560	8177.32	11662.32	22.30 N	330.54 W	430892.50 N	499540.36 E	0.86	330.54	
11768.00	11.850	270.860	8239.92	11724.92	22.35 N	343.87 W	430892.55 N	499527.03 E	0.67	343.87	last MWD
12207.00	11.850	270.860	8669.57	12154.57	23.70 N	434.01 W	430893.90 N	499436.89 E	0.00	434.01	projection to TD

All data is in Feet (US) unless otherwise stated. Directions and coordinates are relative to Grid North.
Vertical depths are relative to RKB(3465°+20°KB). Northings and Eastings are relative to Wellhead.
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 Wellhead and calculated along an Azimuth of 270.000° (Grid).

Based upon Minimum Curvature type calculations, at a Measured Depth of 12207.00ft.,
The Bottom Hole Displacement is 434.65ft., in the Direction of 273.126° (Grid).

Survey Report for Sec. 30-T24S-R26E - J.M. Gates NCT 1 #3 - MWD Survey

Comments

Measured Depth (ft)	Station Coordinates			Comment
	TVD (ft)	Northings (ft)	Eastings (ft)	
9300.00	9296.54	42.85 N	6.88 E	Tie From Gyro
11768.00	11724.92	22.35 N	343.87 W	last MWD
12207.00	12154.57	23.70 N	434.01 W	projection to TD

North Reference Sheet for Sec. 30-T24S-R26E - J.M. Gates NCT 1 #3

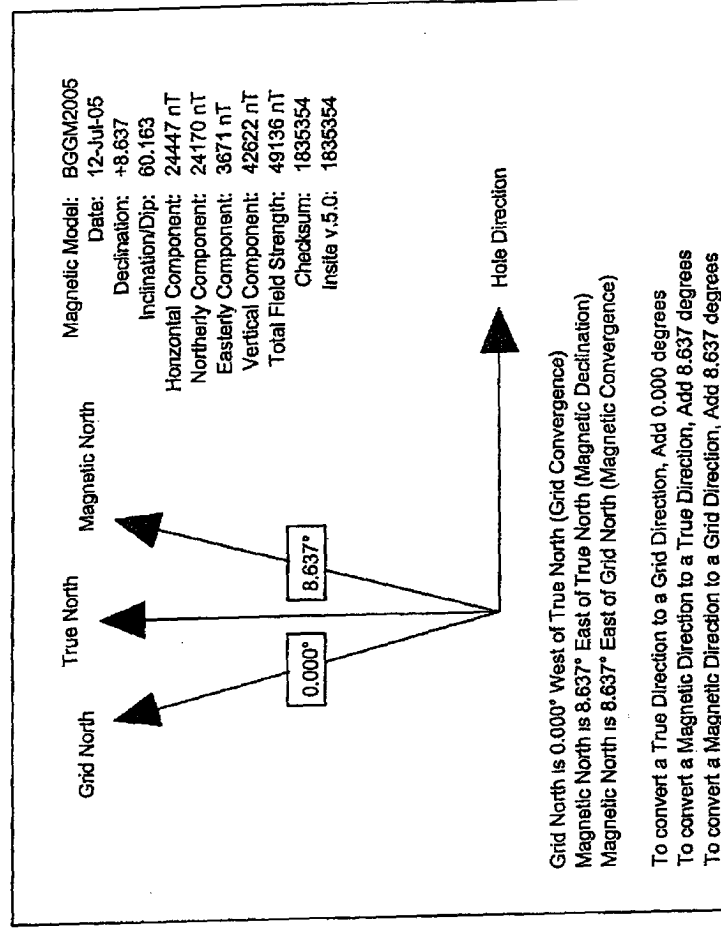
Coordinate System is NAD27 New Mexico State Planes, Eastern Zone, US Foot
Source: Snyder, J.P., 1987, Map Projections - A Working Manual

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

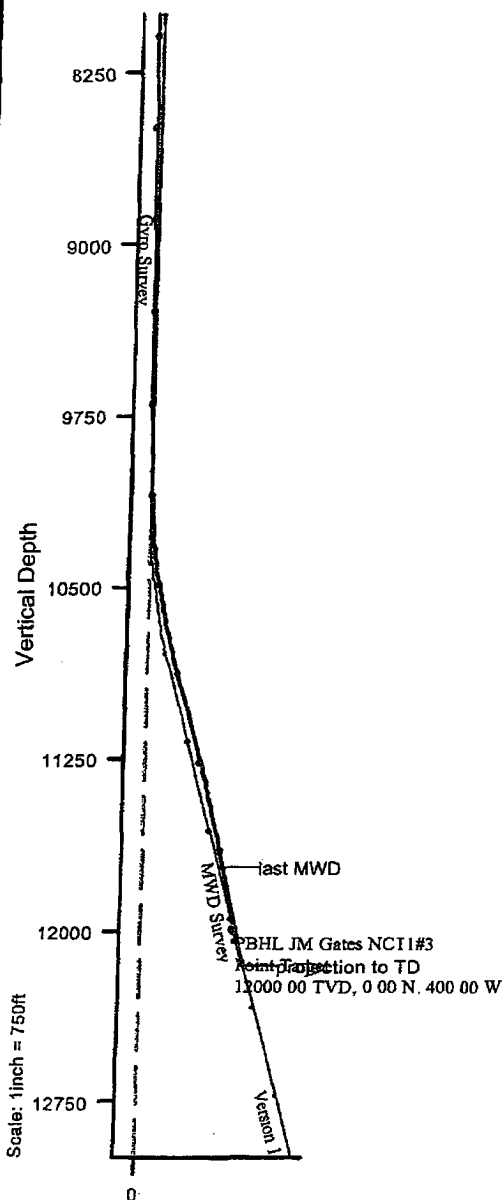
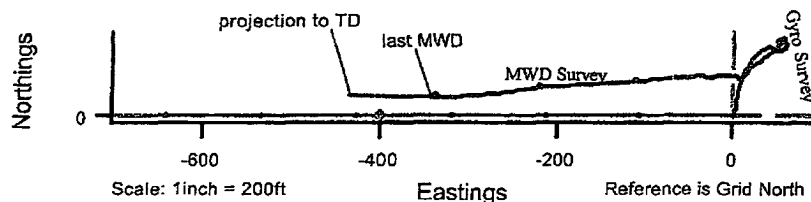
Spheroid is Clarke - 1866
Equatorial Radius: 6378206.400m.
Polar Radius: 6356583.800m.
Inverse Flattening: 294.978698213901

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: 430870.20 N, 499870.90 E
Geographical Coordinates of Well: 32° 11' 04.4852" N, 104° 20' 01.5023" W
Surface Elevation of Well: 3485.00ft
Grid Convergence at Surface is -0.000°
Magnetic Convergence at Surface is -8.637° (12 July, 2005)



New Mexico
Eddy County
Sec. 30-T24S-R26E
J.M. Gates NCT 1 #3



Section Azimuth: 270.000° (Grid North)

Vertical Section

Prepared by:
Dennis Cook

Date/Time:
14 July, 2005 - 8:58

Checked:

Approved: