

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM 0413245
2. Name of Operator Gruy Petroleum Management Co.		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 140907 Irving, TX 75014-0907	3b. Phone No. (include area code) 972-401-3111	7. If Unit or CA/Agreement, Name and/or No. NMNM 94519
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1160' FSL & 1400' FWL		8. Well Name and No. Black River 10 Fed Com 2
		9. API Well No. 30-015-32634
		10. Field and Pool, or Exploratory Area South Carlsbad; Morrow (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			
<input 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 checked="" 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 checked="" type="checkbox"/> Other Set production casing
	<input type="checkbox"/> Change Plans	<input 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.)

04-26-03 Reached well TD of 11950' as per geologist.

04-29-03 Ran 270 jts of 5.5 P110 casing to 11956.' Cemented first stage with 100 sx of Interfill "H," 300 Interfill "H" with microbond, and 650 sx of Super H. No returns. Put 100 sx Premium cement across DV tool. Found TOC at 5780.'

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Natalie Krueger

Signature

Title

Production Assistant

Date

June 11, 2003

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 Co.

Magnum Hunter Production, Inc.

Well History

April 7 Thru April 29, 2003

OPERATED

CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO
76997 BLACK RIVER 10 FEDERAL COM 2
EDDY, NM

10-T24S-R26E, 1,160' FSL, 1,400' FWL

W.I. Pct BCP 55.29 %
W.I. Pct ACP 55.29 %
Morrow / 12,500'

04/07/2003 Depth 4,103
Progress 905
AFE: 23161 Present Operation: Drlg

PU BHA & TIH, tag cmt at 3154'; test casing & 1800# for 30 mins, good test, drill FC, cmt, guide shoe & 10' of new formation; close rams & prses up to 350#, held 10.5# EMW; drilling from 3208' to 3595' with 35K WOB & 40 RPM rotary; WLS at 3523' = .5 degs; drlg f/3595' to 4072' with 45K WOB & 45 RPM; WLS at 4000' = .25 degs; drilling f/4072' to 4103' with 45K WOB & 45 RPM.

04/08/2003 Depth 4,940
Progress 837
AFE: 23161 Present Operation: Drlg

Drlg f/4105' to 4580' with 45K WOB & 45 RPM; WLS @ 4500' = 1 deg; drlg f/4580' to 4940' with 40K WOB & 45 RPM.

04/09/2003 Depth 5,540
Progress 600
AFE: 23161 Present Operation: TOH

Drlg f/4940' to 5075' with 40K WOB & 45 RPM; WLS @ 5000' = .75 degs; drlg f/5075' to 5534' with 45K WOB & 45 RPM, ROP slowing down to 23'/hr; WLS @ 5461' = 2 degs; drlg f/5534' to 5540' with 30K WOB & 45 RPM, ROP slowed to 15'/hr.

04/10/2003 Depth 6,060
Progress 520
AFE: 23161 Present Operation: Drlg

TOH for bit & RMR; chg out bit & RMR, both were an eighth under gauge; TIH to 5500' & wash 40' to btm; drlg f/5540-5630' with 35K WOB & 45 RPM, fair amt of gas on bottoms up; rig serv; drlg f/5630-5882' with 30K WOB & 45 RPM; WLS at 5776' = 1.5 degs; drlg f/5882-6060' with 40K WOB & 45 RPM.

04/11/2003 Depth 6,836
Progress 776
AFE: 23161 Present Operation: Drlg

Drlg f/6060-6410' with 30K WOB & 45 RPM; WLS @ 6276' = .75 degs; drlg f/6410 to 6836' with 40K WOB & 45 RPM; WLS @ 6764' = .5 degs.

AFE: 23161 Progress 764
Present Operation: Drlg

Drilling from 6836' - 7057' with 40K WOB and 45 RPM. Pickup rotatinghead assembly. Drilling from 7057' - 7345' with 40K WOB and 45 RPM. Wireline Survey at 7266' - .75 degrees. Drilling from 7345' - 7600' with 40K WOB and 45 RPM. Daily ROP - 33.3'/hr / Cum ROP - 31.6'/hr

Wednesday, 11 June, 2003

BLACK RIVER 10 FEDERAL COM 2

04/13/2003	Depth	8,340	
	Progress	740	
AFE:	23161	Present Operation:	Drlg
<p>Drilling from 7600' - 7821' with 40K WOB and 45 RPM. Wireline Survey at 7741' - .5 degrees. Drilling from 7821' - 8310' with 40K WOB and 45 RPM. Wireline Survey at 8226' - 1 degree. Drilling from 8310' - 8340' with 30K WOB and 45 RPM. Daily ROP - 32.17'/hr / Cum ROP - 32'/hr</p>			
04/14/2003	Depth	8,930	
	Progress	590	
AFE:	23161	Present Operation:	Tripping for Bit
<p>Drilling from 8340' - 8774' with 40K WOB and 45 RPM. Wireline Survey at 8699' - 1.25 degrees. Drilling from 8774' - 8930' with 40K WOB and 45 RPM. Pump slug, drop survey tool, and trip out of hole for bit and check drill collars. Daily ROP - 29'/hr / Cum ROP - 31.6'/hr.</p>			
04/15/2003	Depth	9,314	
	Progress	384	
AFE:	23161	Present Operation:	Drlg
<p>Trip out of hole. Change out bit, motor, and IBS. Inspect drill collars and tools. Found no bad connections. Change low gear chain. Trip in hole to 8870'. Ream 60' to bottom. Drilling from 8930' - 9314' with 40K WOB and 45 RPM. Daily ROP - 29.5'/hr</p>			
04/16/2003	Depth	9,940	
	Progress	626	
AFE:	23161	Present Operation:	Drlg
<p>Drilling from 9314' - 9472' with 40K WOB and 45 RPM. Wireline Survey at 9400' - .75 degrees. Drilling from 9472' - 9940' with 40K WOB and 45 RPM. Daily ROP - 26.7'/hr / Cum ROP - 27.7'/hr.</p>			
04/17/2003	Depth	10,375	
	Progress	435	
AFE:	23161	Present Operation:	Drlg
<p>DRILL F/ 9940' - 9975'. AVG. ROP - 35 FPH. WOB - 40, RPM - 45. WLS @ 9900' - 1 1/2 DEG. DRILL F/ 9975' - 10375'. AVG. ROP - 17.8 FPH. WOB - 35/40, RPM - 45. (BEGAN MUDUP AT 10000' - 08:00) BGG - 675 UNITS, MAX GAS - 900 UNITS AT 10020'. BURNING 5' - 12' FLARE.</p>			
04/18/2003	Depth	10,650	
	Progress	275	
AFE:	23161	Present Operation:	Drlg
<p>DRILL F/ 10375' - 10457'. AVG. ROP - 10.9 FPH. WOB - 40, RPM - 45. WLS @ 10385' - 1 3/4 DEG. AND SERVICE RIG. DRILL F/ 10457' - 10650'. AVG. ROP - 12.5 FPH. WOB - 40, RPM - 45.</p>			
04/19/2003	Depth	10,845	
	Progress	195	
AFE:	23161	Present Operation:	Drlg
<p>10-DRILL F/ 10650' - 10845'. AVG. ROP - 8.1 FPH. WOB - 40, RPM - 45. BGG - 800 UNITS, CG - 0, MAX GAS - 955 BURNING 5' - 12' FLARE.</p>			
04/20/2003	Depth	10,907	
	Progress	62	
AFE:	23161	Present Operation:	Drlg
<p>DRILL F/ 10845' - 10876'. AVG. ROP - 6.2 FPH. WOB - 40, RPM - 45. PUMP SLUG AND DROP TOTCO. TOH FOR NEW BIT. (PU NEW STAB. AND MOTOR) TIH W/ DC'S. CUT AND SLIP DRLG. LINE. TIH. BREAK CIRC. TIH. WASH 40' TO BOTTOM. DRILL F/ 10876' - 10907'. AVG. ROP - 6.2. WOB - 10/40. RPM - 45.</p>			

04/21/2003	Depth	11,167
	Progress	260
AFE:	23161	Present Operation: Drlg
<p>DRILL F/ 10907' - 11167'. AVG. ROP - 10.8 FPH. WOB - 40, RPM - 45. PRESENTLY BURNING 7' - 10' FLARE. BGG - 576 U, MAX GAS - 933 U @ 11090', NO CONN. GAS. DRLG. BREAK - 11,116 - 11,126' - NO FLUOR, NO SHOW. CHK FOR FLOW - NO FLOW.</p>		
04/22/2003	Depth	11,366
	Progress	199
AFE:	23161	Present Operation: Drlg
<p>DRILL F/ 11167' - 11366'. AVG. ROP - 8.3 FPH. WOB - 40, RPM - 45. PRESENTLY BURNING 5' - 12' FLARE. BGG - 383 U, NO CONN. GAS. SAMPLE @ 11350' - 10% SAND, 30% SHALE, 60% LIME.</p>		
04/23/2003	Depth	11,442
	Progress	72
AFE:	23161	Present Operation: Drlg
<p>Drill f/11,366-11,378', AVG ROP 5 FPH WOB 40, RPM 45; chg out rotating head rubber; drill f/11,378 to 11,438', AVG ROP 7.5 FPH WOB 40, RPM 60, slowed to 2 FPH; prepare 10.5 barite slug, repair & drop TOTCO; TOH with bit #5; LD motor, PU same & bit #6; TIH; break circ & circ off gas; TIH; W&R 60' to btm; presently drlg @ 11,442'.</p>		
04/24/2003	Depth	11,582
	Progress	144
AFE:	23161	Present Operation: Drlg
<p>Drlg f/11,482 to 11,495' with 40K WOB & 45 RPM; chg out rotating head rubber; drlg f/11,495 to 11,582' with 40K WOB & 45 RPM.</p>		
04/25/2003	Depth	11,734
	Progress	152
AFE:	23161	Present Operation: Drlg
<p>Drilling from 11582' - 11734' with 40 - 55K WOB and 45 RPM. Daily ROP - 6.3'/hr / Cum ROP - 6.14'/hr</p>		
04/26/2003	Depth	11,935
	Progress	201
AFE:	23161	Present Operation: Drlg
<p>Drilling from 11734' - 11935' with 45K WOB and 45 RPM. Daily ROP - 8.37'/hr / Cum ROP - 6.88'/hr. Will TD well at 11950' as per geologist.</p>		
04/27/2003	Depth	11,950
	Progress	15
AFE:	23161	Present Operation: Running SFT/GR
<p>Drilling from 11935' - 11950' with 55K WOB and 45 RPM. Short trip 20 stands with no drag or fill. Circulate for logs. Had 10' - 12' flare for 10 minutes. Strap out of hole for logs. SLM was 11956'. Rig up Halliburton Loggers and run MGRD, DLLT, FWS, SDL, DSN, and GR from 11958' - 3198'. Run #2 - SFT and GR. Have approximately 2 - 3 hrs of logging remaining.</p>		
04/28/2003	Depth	11,956
	Progress	6
AFE:	23161	Present Operation: Running 5-1/2" Casing
<p>Finish running SFT log. Rig down loggers. Trip in hole to 6500'. Circulate gas through gasbuster with 10 - 15' flare. Trip in hole to 11956'. Circulate and condition mud. Had 20 - 25' flare for 35 minutes. Decreased to 6 - 8' afterwards. Laydown drill pipe. Breakdown kelly and pull rotatinghead rubber.</p>		

Laydown drill collars. Pull wearbushing and rig up casing crew. Makeup float equipment and run 5.5" casing. Have run approximately 180 jts at report time.

04/29/2003

Depth 11,956

Progress 0

AFE: 23161

Present Operation: Released Rig

Run casing to 11956' and tag bottom with no fill. Circulate and condition for cement job. Flare up to 25' for 30 minutes and slowly dropped off to 6'. Cement first stage with 100 sx of Interfill "H", 300 sx Interfill "H" w/ microbond, and 650 sx of Super H Displace with 120 bbls of FW and 156 bbls of drilling mud. Bumped plug and floats held. Drop bomb to open DV tool. Cementer fell asleep while waiting on bomb to seat and was 25 minutes late opening tool. Pressure up to 1300 psi and tool opened. Pressure was steady at 900 psi, but did not have returns to flowline. Pumped 200 bbls and shut in. Casing pressure did not drop below 800 psi. Clean steel pits while waiting on 100 sx of Premium cement to put across DV tool. Pump 100 sx Premium cement and displace with 163 bbls of FW. Final pressure was 2000 psi and landed plug at 3100 psi to close DV tool. Left 1800 psi on casing to ensure no fluid movement while cement across DV tool set up. Nipple down BOP stack and set slips with string weight of 185K. Finish cleaning steel pits. Cut casing, set out BOP stack, and nipple up Tubinghead. Test to 3000 psi. Release rig at 0230 hrs on 4/29/03. Will move rig to Mobil "12" Fed Com 2 this morning