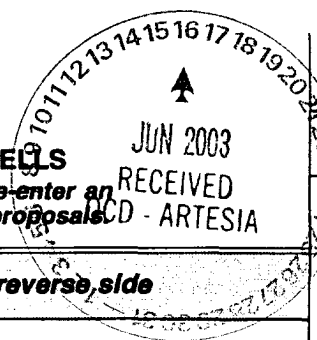


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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	
2. Name of Operator Gruy Petroleum Management Co.	
3a. Address P. O. Box 140907 Irving, TX 75014-0907	3b. Phone No. (include area code) 972-401-3111
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1160' FSL & 1400' FWL	

Lease Serial No. NM 0413245
If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. NMMNM 94519
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 <u>Surface and Intermediate Casing</u>
	<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.)

03-30-03 Spudded 17-1/2" hole. Drilled to TD of 440.' Ran 10 jts of 13-3/8" casing. Cemented with 340 sx of lead and 150 sx of tail. Circulated 4 bbls cement to pit. WOC 15.5 hours.

04-03-03 Drilled to 3203.'

04-04-03 Ran 75 jts of 9.625/40/J/LTC to 3203.' Cement with 1000 sx lead and 235 sx tail. Circulated 25 sx of cement to reserve pit. WOC 9.5 hours.

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

Name (Printed/Typed)

Natalie Krueger

Title

Production Assistant

Signature

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
March 31, 2003 Thru April 6, 2003

OPERATED

CARLSBAD SOUTH

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

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

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

03/31/2003 Depth 440
 Progress 440
 AFE: 23161 Present Operation: Testing Wellhead

Mix spud mud; spud well & drill to 82', lost complete returns; pull up into conductor & mix 100 bbls of LCM pill; drill f/82' to 255' with 90% returns; WLS @ 208' = 1 deg; drilling from 255' to 440'; CIRC for casing; drop survey tool & TOH; run 10 jts of 13-3/8" casing to 440'; CIRC while waiting on cmt trucks to arrive from, Hobbs, NM; cmt with 340 sx of lead, 150 sx of tail, & displace with 27 bbls of FW, did not bump plug, CIRC 4 bbls of cmt to reserve pit; WOC; cut conductor & casing; weld on 13-3/8" wellhead.

04/01/2003 Depth 723
 Progress 283
 AFE: 23161 Present Operation: Drlg

Test wellhead weld to 500 psi. Good test. Nipple up BOP stack. Weld flow line together. Test blind rams. Make up BHA and trip in hole. Tag cement at 195'. Drill cement from 195' - 440'. Test pipe rams and annular to 500 psi. Test casing to 500 psi. Drilling from 440' - 723' with 15 - 35K WOB and 60 RPM. Daily ROP - 23.5'/hr

04/02/2003 Depth 1,340
 Progress 617
 AFE: 23161 Present Operation: Drlg

Drilling from 723' - 749'. WLS at 629' - 1.25 degrees. Drilling from 749' - 1023'. WLS at 951' - 1.5 degrees. Drilling from 1023' - 1310'. WLS at 1237' - 1 degree. Drilling from 1310' - 1340'. Daily ROP - 27.4'/hr / Cum ROP - 26'/hr

04/03/2003 Depth 1,890
 Progress 550
 AFE: 23161 Present Operation: Drlg

Drlg @ 1890'. Surveys @ 1523' = 3/4 deg & 1809' = 1 deg (taken verbally, computer problems)

04/04/2003 Depth 2,630
 Progress 740
 AFE: 23161 Present Operation: Drlg

Drlg f/1890' to 2195' with 35K WOB & 60 RPM; WLS @ 2126' = .75 degs; drlg f/2195' to 2630' with 35-50K & 60 RPM; daily ROP 31.5'/hr / Cum ROP 27'/hr.

04/05/2003 Depth 3,198
 Progress 568
 AFE: 23161 Present Operation: CIRC for Casing

Drlg f/2630' to 2683' with 55K WOB & 60 RPM; WLS at 2611' = .5 degs; drlg f/2683' to 3198' with 55K WOB & 60 RPM, ran fluid caliper & calculated 1975 cu ft; C&C for casing.

04/06/2003

Depth 3,198

Progress 0

AFE: 23161

Present Operation: PU DCs

Drop survey tool & SLM out of hole for casing; repair high drum chain; LD 8" DC, DP strap was 3205'; RU casers & run 75 jts of 9-5/8"/40/J LT&C to 3203' as per casing strap; CIRC casing; cmt with 1000 sx of lead & 235 sx tail & displace with 240 bbls of FW, bumped plug & float held; CIRC 250 sx of cmt to reserve pit; ND BOP, set slips with 130K, NU WH & NU BOP stack; test BOP stack, manifold & floor valves to 200 & 5000#, tested annular to 200 & 3500#; PU BHA.