

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

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

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)

SHL 400' FNL & 330' FWL; BHL 1144' FNL & 1570' FWL

5. Lease Serial No.

NMNM 027994 D

6. If Indian, Allottee or Tribe Name

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

SW - 514

8. Well Name and No.

Mobil 12 Federal No. 2

9. API Well No.

30-015-32752

10. Field and Pool, or Exploratory Area

Carlsbad; Morrow, South (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 surface & intermediate 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 recompletion 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.)

04-30-03 Spudded a 17 1/2" hole.

05-01-03 Drilled to TD - 422'. Ran 10 jts. 13 3/8" casing. Cemented with 340 sx Premium lead and 150 sx of Premium tail. Circulated 85 sx to reserve pit. WOC 12.5 hours.

05-09-03 Reached TD of 3193'. Ran 76 jts of 9.625"/40/J55/LTC casing and tagged up. Cement with 950 sx of lead and 235 sx of tail. Circulated 25 sx of cement to pit. WOC 12.5 hours.

ACCEPTED FOR RECORD

JUN 16 2003

LES BABYAK
PETROLEUM ENGINEER

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

Name (Printed/Typed)

Natalie Krueger

Title

Production Assistant

Signature

Date

06-11-03

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

May 1, 2003 Thru May 10, 2003

OPERATED

CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO

77088 MOBIL 12 FEDERAL #2

EDDY, NM

12-T23S-R26E

W.I. Pct BCP 58.48 %

W.I. Pct ACP 58.48 %

Morrow / 13,000'

05/01/2003

Depth 422

Progress 422

AFE: 23234

Present Operation: NU BOP Stack

Mix spud mud; drlg f/58-251'; WLS @ 204' = .5 degs; drlg f/251-438'; drop survey tool & TOH for casing; RU casers & run 10 jts 13-3/8" / 48 / H40 STC casing to 422', tag fill at 421'; C&C, RU Hall; cmt w/340 sx of Prem lead & 150 sx of Prem tail, displace with 58 bbls FW & bump plug with 415#, float held & circulated 85 sx to reserve pit; WOC; cut conductor & casing, dress casing for 13-3/8" wellhead; weld on wellhead & test to 500#; NU BOP stack.

05/02/2003

Depth 800

Progress 378

AFE: 23234

Present Operation: Drlg

Nipple up BOP. Test blind rams to 500 psi. Trip in hole with BHA to 375' and tag cement. Drill cement, Float collar, cement, and circulate out. Test pipe rams, annular, and casing to 500 psi. Drilling from shoe at 422' - 684' with 30 - 40K WOB and 45 RPM. Repair rotary chain. Drilling from 684' - 704' with 40K WOB and 45 RPM. Wireline Survey at 631' - 1.25 degrees. Drilling from 704' - 713' with 30K WOB and 50 RPM. Repair rotary chain. Drilling from 713' - 751' with 30K WOB and 50 RPM. Repair rotary chain. Drilling from 751' - 800' with 30K WOB and 50 RPM. Daily ROP - 20.6

05/03/2003

Depth 1,285

Progress 485

AFE: 23234

Present Operation: Drlg

Drilling from 800' - 820 with 30K WOB and 50 RPM. Wireline Survey at 800' - 1.5 degrees. Drilling from 820' - 1062' with 30K WOB and 50 RPM. Wireline Survey at 989' - 1.5 degrees. Drilling from 1062' - 1263' with 10K WOB in Salt and 30K WOB in Anhydrite. Wireline Survey at 1212' - 2 degrees. Drilling from 1263' - 1285' with 20K WOB and 55 RPM. Daily ROP - 21.5'/hr / Cum ROP - 21.4'/hr.

05/04/2003

Depth 1,685

Progress 400

AFE: 23234

Present Operation: Drlg

Drilling from 1285' - 1507' with 20K WOB and 50 RPM. Wireline Survey at 1435' - 2.25 degrees. Drilling from 1507' - 1685' with 5K in salt and 20K WOB in Anhydrite. Daily ROP - 17'/hr / Cum ROP - 20'/hr

05/05/2003

Depth 1,970

Progress 285

AFE: 23234

Present Operation: Drlg

Drlg f/1685 to 1697' with 20K WOB & 55 RPM; WLS @ 1622' = 2.25 degs; drlg f/1697 to 1888' with 20K WOB in Anhdrite & 5K WOB in salt; WLS @ 1810' = 2 degs; drlg f/1888 to 1970' with 20K & 55 RPM.

05/06/2003

Depth 2,220

Wednesday, 11 June, 2003

MOBIL 12 FEDERAL 2

1

	Progress	250
AFE:	23234	Present Operation: Drlg
<p>Drilling from 1970' - 1980' with 20K WOB and 60 RPM. Repair rotary chain. Drilling from 1980' - 2012' with 20K WOB and 60 RPM. Torque increasing to point of stalling out rotary table. Trip out of hole and check BHA. Bit and RMR in good shape. Change out motors. Trip in hole. Drilling from 2012' - 2220' with 5 - 20K WOB and 50 RPM. Torque getting less as we get into formation change. Daily ROP - 12.5'/hr / Cum ROP - 16.7'/hr</p>		
05/07/2003	Depth	2,475
	Progress	255
AFE:	23234	Present Operation: Drlg
<p>Drilling from 2220' - 2334' with 20K WOB and 60 RPM. Wireline Survey at 2269' - 2.25 degrees. Drilling from 2334' - 2475' with 20K WOB in Anhydrite and 5K WOB in salt. Have drilled 35' of salt in last 24 hrs. Daily ROP - 10.8'/hr / Cum ROP - 15.8'/hr</p>		
05/08/2003	Depth	2,666
	Progress	191
AFE:	23234	Present Operation: Drlg
<p>Drilling from 2475' - 2561' with 25K WOB and 50 RPM. Wireline Survey at 2486' - 2 degrees. Drilling from 2561' - 2606' with 40K WOB and 65 RPM. Made connection and bit began to torque and ROP slowed from 12'/hr to 8'/hr. Trip out of hole and change pins on RMR. Bit had seal and bearing failure on one cone. Pickup rerun. Trip in hole to 2575'. W & R 31' to bottom with 6' of fill. Drilling from 2606' - 2666' with 40K WOB and 65 RPM. Very little torque while drilling. Daily ROP - 10.3'/hr</p>		
05/09/2003	Depth	3,030
	Progress	364
AFE:	23234	Present Operation: Drilling
<p>Drilling from 2666' - 2814' with 40K WOB and 55 RPM. Wireline Survey at 2739' - 1.75 degrees. Drilling from 2814' - 2973' with 45K WOB and 70 RPM. Wireline Survey at 2898' - 1.75 degrees. Drilling from 2973' - 3030' with 45K WOB and 70 RPM. Daily ROP - 15.8'/hr</p>		
05/10/2003	Depth	3,193
	Progress	163
AFE:	23234	Present Operation: Testing BOPs
<p>Drilling from 3030' - 3200' with 45K WOB and 70 RPM. Ran fluid caliper Circulate sweep around to pits. Trip out of hole to 8" DC. Rig up laydown machine and laydown 8" DC. Rig up casers and run 76 jts of 9.625"/40/J55/LTC casing to 3193' and tag up. SLM was 3193'. Circulate while waiting on cement to arrive from Hobbs yard. Cement with 950 sx of lead and 235 sx of tail cement. Displace with 240 bbls of FW and bumped plug with 1450 psi. Floats held. Circulated 25 sx cement to pit Nipple down BOP stack. Set slips with 115K and cut casing. Nipple up B section and test seals to 2000 psi. Nipple up BOP stack.</p>		