

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 330' FNL & 1980' FEL Sec. 27 T25S - R26E
BHL 1876' FNL & 1594' FEL Sec. 27 T25S - R26E

5. Lease Serial No.
NMNM 92160

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
32670

8. Well Name and No.
Chosa Draw 27 Fed Com No. 1

9. API Well No.
30-015-32918

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

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>Set surface & 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.)

8-20-03 Spudded 17-1/2" hole @ 6AM CDT.

8-21-03 Reached 431' TD of 17-1/2" hole @ 1AM CDT. Ran 13-3/8" surface casing.

8-22-03 Cemented 13-3/8" casing with lead 340 sx Prem Plus Cement + 4% Gel + 2% CaCl + 1/4# Flocele per sx. Tailed with 150 sx Prem Plus Cement + 2% CaCl. Plugged down and bumped with 360# and circulated 183 sx cement to surface. WOC 13.25 hours.

8-25-03 Reached 3200' TD of 12-1/4" hole @ 645PM CDT.

8-26-03 Ran 9-5/8" casing to 3200.' Cemented with lead of 850 sx Interfill "C" + 1/4# Flocele per sx, followed by tail of 200 sx of Prem Plus Cement + 1% CaCl + 1/4# Flocele per sx. Plugged down and bumped with 1420# @ 235PM CDT. Circulated 233 sx to surface. WOC 18 hours.

**** Please see attached drilling report.**

ACCEPTED FOR RECORD

SEP 8 2003

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

Title
Production Assistant

LES BABYAK
PETROLEUM ENGINEER

Signature

Date

September 3, 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

August 20, 2003 Thru August 28, 2003

OPERATED

CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO
77128 CHOSA DRAW 27 FEDERAL COM 1

EDDY, NM

1650'FNL & 1650'FEL Sec 27, T25S, R26

W.I. Pct BCP 100.00 %

W.I. Pct ACP 100.00 %

Morrow / 12,000'

08/20/2003

Depth 62

Progress 0

AFE: 23361

Present Operation: Preparing to Spud Well

Location staked by John West Surveying on 5/2/2003 - 330' FNL & 1,980' FEL of Sec. 27 T-25-S R-26-E in Eddy County, New Mexico. B&H Construction built location, pits & road from 8/5/2003 to 8/12/2003. Abbott Brothers set 20" conductor pipe at 39' FGL & cemented with 4 yds. ready mix - dug rat & mouse holes on 8/13/2003 to 8/15/2003. Akome, Inc. plastic lined & fenced reserve pit on 8/13/2003 - Great Basin put water in reserve pit to hold down the plastic on 8/13/03. MIRU Patterson- UTI Rig # 75 on 8/18/2003 & 8/19/2003. Welded flow nipple onto conductor pipe - mixed spud mud - preparing to spud well.

08/21/2003

Depth 431

Progress 369

AFE: 23361

Present Operation: Preparing to Cmt 13-3/8" Casing

Drill from 62' to 246' (Spud a 17 1/2" hole at 6:00 AM (CDT) 8/20/2003) WLS @ 193' = 1/4o & service rig Drill from 246' to 431' TD (Reached TD of 17 1/2" hole at 1:00 AM (CDT) 8/21/2003) Circulate Drop Totco @ 431' = 1o & trip out to run surface casing - LD BHR, shock sub & bit RU casing crew & ran 13 3/8" surface casing (See Casing Detail) RU Halliburton cementing head & washed to bottom - 25' of fill

08/22/2003

Depth 681

Progress -25

AFE: 23361

Present Operation: Drlg

Hall. cemented 13 3/8" csg. (Lead) 340 sx Prem. Plus Cement + 4% Gel + 2% CaCl + 1/4# Flocele per sx, (Tail) 150 sx Prem. Plus Cement + 2% CaCl - plug down & bumped with 360# at 7:00 AM (CDT) 8/21/03 - circulated 183 sx cement to surface - Don C. Cleghorn w/ the BLM witnessed job WOC & cut off 20" conductor pipe Cut off 13 3/8" casing & weld on a 13 3/8" SO X 13 5/8" 3,000# Braden Head & test to 500# - OK NU 5,000# BOP & choke manifold Test BOP blind rams, choke manifold, well head & casing to 1,000# with rig pump - OK PU & TIH with Bit # 2, motor, BHR & IBS - TIH with 8" DC's - tagged up at 377' Test BOP hydrl, choke manifold, well head & casing to 1,000# with rig pump - OK Drill cement, wiper plug, float collar, cement & shoe from 377' to 431' Drill from 431' to 681' (88 RPM motor - 40 RPM rotary - 20K to 25K bit wt.) back on formation at 9:30 PM (CDT) 8/21/2003 Note: BLM (Don C. Cleghorn) was notified of BOP test, but did not witness the test

08/23/2003

Depth 1,377

Progress 696

AFE: 23361

Present Operation: Drlg

Drill from 681' to 838' (88 RPM motor - 40 RPM rotary - 28K to 30K bit wt.) Service rig WLS @ 785' = 1/4o Drill from 838' to 1,216' (88 RPM motor - 40 RPM rotary - 10K to 40K bit wt.) WLS @ 1,139' = 2 1/4o Drill from 1,216' to 1,372' (88 RPM motor - 40 RPM rotary - 10K to 20K bit wt.) WLS @ 1,295' = 1 1/2o Drill from 1,372' to 1,377' (88 RPM motor - 40 RPM rotary - 10K to 20K bit wt.)

08/24/2003

Depth 2,015

Progress 638

Wednesday, 3 September, 20

CHOSA DRAW 27 FEDERAL COM 1

AFE: 23361 Present Operation: Drlg

Drill from 1,377' to 1,561' (88 RPM motor - 40 RPM rotary - 10K to 20K bit wt.) Service rig WLS @ 1,508' = 1o Drill from 1,561' to 1,750' (88 RPM motor - 40 RPM rotary - 25K to 33K bit wt.) WLS @ 1,673' = 1o Drill from 1,750' to 2,015' (88 RPM motor - 40 RPM rotary - 35K bit wt.)

08/25/2003 Depth 2,794
Progress 779

AFE: 23361 Present Operation: Drlg

Drill from 2,015' to 2,030' (88 RPM motor - 40 RPM rotary - 10K to 35K bit wt.) Service rig WLS @ 1,956' = 1o Drill from 2,030' to 2,318' (88 RPM motor - 40 RPM rotary - 28K bit wt.) WLS @ 2,241' = 3/4o Drill from 2,318' to 2,794' (88 RPM motor - 40 RPM rotary - 30K to 40k bit wt.)

08/26/2003 Depth 3,200
Progress 406

AFE: 23361 Present Operation: POOH LD 8" DCs

Drill from 2,794' to 2,803' (88 RPM motor - 40 RPM rotary - 30K to 40K bit wt.) WLS @ 2,715' = 1o Drill from 2,803' to 3,077' (88 RPM motor - 40 RPM rotary - 35K to 50K bit wt.) Service rig Drill from 3,077' to 3,200' TD (88 RPM motor - 40 RPM rotary - 45K to 50K bit wt.) - reached TD of 12 1/4" hole at 6:45 PM (CDT) 8/25/2003 - ran Davis Fluid Caliper at TD - showed that it will take 1,765 ft.3 of cement to circulate cement to surface with 9 5/8" casing set at 3,200' Pump viscous sweep & circulate Drop Totco @ 3,200' = 1 1/2o & POOH - LD IBS, BHR, motor & bit RU Halliburton & ran open hole logs - Logger's TD = 3,200' - ran Triple Combo - Spectral Density Dual Spaced Neutron Log & Dual Laterolog Micro-Guard Log - RD Halliburton TIH with bit, bit sub, 8" DC's & DP Wash 60' to bottom, pump viscous sweep & circulate - no fill Trip out standing back 4 1/2" DP POOH LD 8" DC's BGG = 16 units - max. gas = 19 units - no shows

08/27/2003 Depth 3,200
Progress 0

AFE: 23361 Present Operation: PU & TIH with BHA

RU Bull Rogers laydown machine & POOH LD remainder of the 8" DC's Service Rig RU Bull Rogers casing crew & ran 9 5/8" casing (See Casing Detail) RU Halliburton & circulated to clear casing Hall. cemented 9 5/8" csg. (Lead) 850 sx Interfill "C" + 1/4# Flocele per sx, followed by (Tail) 200 sx Premium Plus Cement + 1% CaCl + 1/4# Flocele per sx - plug down & bumped with 1,420# at 2:35 PM (CDT) 8/26/03 - circulated 233 sx cement to surface - BLM was notified - did not witness job ND & PU BOP - set 9 5/8" casing slips in 125,000# - cut off 9 5/8" casing - install a 13 5/8" 3,000# X 11" 5,000# "B" Section well head spool & test to 3,000# - OK - NU BOP & choke manifold Test BOP, choke manifold & associated equipment with Man Welding Service to 5,000# - OK - BLM was notified - did not witness the test Installed wear bushing - PU & TIH with Bit # 3, motor, BHR, IBS & DC's

08/28/2003 Depth 3,946
Progress 746

AFE: 23361 Present Operation: Drlg

PU & TIH with DC's - test motor - OK TIH with 4 1/2" DP from derrick - LD 11 jts. DP in V-Door - tagged up on cement at 3,140' Service rig Test BOP, well head & 9 5/8" casing to 2,200# with rig pump for 30 mins. - OK Drill cement, wiper plug, float collar, cement & shoe from 3,140' to 3,200' Drill from 3,200' to 3,210' (156 RPM motor - 40 RPM rotary - 25K to 28K bit wt.) - back on formation at 9:30 AM (CDT) 8/27/2003 Test formation from 3,200' to 3,210' to 10.5#/gal. EMW with 8.4#/gal. fluid in hole with 351# - OK Drill from 3,210' to 3,645' (156 RPM motor - 40 RPM rotary - 26K to 30K bit wt.) WLS @ 3,571' = 1/4o Drill from 3,645' to 3,946' (156 RPM motor - 40 RPM rotary - 30K bit wt.) BGG = 20 units - max. gas = 45 units - show of gas at 3,590' to 3,630'