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

Form 3160-5
(November 1994)

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

5. Lease Serial No.
NMNM 106964

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM 106827

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Magnum Federal 5 Com No. 3

2. Name of Operator
Gruy Petroleum Management Co.

9. API Well No.
30-015-32651

3a. Address
P. O. Box 140907 Irving, TX 75014-0907

3b. Phone No. *(include area code)*
972-401-3111

10. Field and Pool, or Exploratory Area
Turkey Track, Morrow North

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
660' FSL & 710' FEL Sec. 5 T18S R31E

11. County or Parish, State
Eddy Co. NM

RECEIVED
OCD - ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Set Surface & Intermediate Casing
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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.)

03-04-03 Spud 17-1/2" hole at 11:45 AM CST.

03-05-03 Reached TD of 468' for 17-1/2" hole at 12:30 AM CST. Ran 11 jts 13-3/8" casing. Cemented casing with lead of 340 sx Premium Plus Cement + 4% Gel + 2% CaCl = 1/4# Flocele per sx. Tailed with 150 sx Premium Plus Cement + 2% CaCl - plugged down and bumped with 450#. Circulated 190 sx to surface. WOC 14 hrs.

03-12-03 Reached TD of 4200' for -1/4" hole at 9:45 AM CST. Ran 99 jts of 9-5/8" casing. Installed swedge. Cemented with lead of 1100 sx Interfill "C" + 1/4# Flocele per sx. Tailed with 235 sx Premium Plus Cement + 1% CaCl + 1/4# Flocele per sx. Circulated 315 sx cement. TOC 4150'. WOC 26 hrs.

Please See Attached Report

ACCEPTED FOR RECORD
APR 17 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
Natalie Krueger

Date
April 15, 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 2, 2003 Thru March 13, 2003

OPERATED

SHUGART

GRUY PETROLEUM MANAGEMENT CO — W.I. Pct BCP 50.00 %
76978 MAGNUM FEDERAL 5 COM 3 — W.I. Pct ACP 50.00 %
EDDY, NM — 660'FSL & 710'FEL Sec 5 T18S R31E — Strawn / 12,500'

03/03/2003		Depth	0
		Progress	0
AFE:	23073	Present Operation:	Prep to Spud

MIRU

03/04/2003		Depth	0
		Progress	0
AFE:	23073	Present Operation:	Prep to Spud

MIRU

03/05/2003		Depth	468
		Progress	407
AFE:	23073	Present Operation:	Running 13-3/8" Casing

Finish rigging up rig & mix spud mud PU & make up BHA Drill from 61' to 122' (Spud a 17 1/2" hole at 11:45 AM (CST) 3/4/2003) Service rig Drill from 122' to 266' WLS @ 216' = 1/4o Drill from 266' to 468' TD (Reached TD of 17 1/2" hole at 12:30 AM (CST) 3/5/2003 Pump 30 Bbl. sweep & circulate Drop Totco @ 468' = 1/4o & POOH RU casing crew & running 13 3/8" casing (See Casing Detail) - casing tongs broke down on 1st jt. Wait on another set of power casing tongs from Bull Rogers, Inc. Continue running 13 3/8" casing

03/06/2003		Depth	810
		Progress	342
AFE:	23073	Present Operation:	Drlg

Ran 11 jts. 13 3/8" 48# H-40 8rd ST&C new casing (473.74') set @ 468' - RD casing crew RU Halliburton & circulate to clear casing 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 450# at 8:47 AM (CST) 3/5/03 - circulated 190 sx cement to surface - Paul Swartz w/ the BLM witnessed job. WOC & cut off 20" conductor pipe Cut off 13 3/8" csg. & weld on a 13 3/8" SO X 13 5/8" 3,000# braden head & test to 500# - OK NU BOP's & choke manifold Test BOP, choke manifold, well head & 13 3/8" casing to 900# - OK Pick up Bit # 2 & BHA - TIH - tagged up on cement at 411' Test BOP hydril & pipe rams to 900# - OK Drill cement, plug, float collar, cement & shoe from 411' to 468' Drill from 468' to 810' - back on formation at 12:00 midnight 3/6/03 (motor = 116 RPM - rotary = 40 RPM - 10,000# to 25,000# bit wt.)

03/07/2003		Depth	2,121
		Progress	1,311
AFE:	23073	Present Operation:	Drlg

Drill from 810' to 874' (motor = 116 RPM - rotary = 40 RPM - 20,000# to 25,000# bit wt.) WLS @ 795' = 1/4o Drill from 874' to 1,472' (motor = 116 RPM - rotary = 40 RPM - 5,000# to 20,000# bit wt.) Service rig WLS @ 1,395' = 3/4o Drill from 1,472' to 1,950' (motor = 116 RPM - rotary = 40 RPM - 10,000# to 25,000# bit wt.) WLS @ 1,873' = 1/2o Drill from 1,950' to 2,121' (motor = 116 RPM - rotary = 40 RPM - 20,000# to 25,000# bit wt.)

03/08/2003 Depth 2,552
Progress 431
AFE: 23073 Present Operation: TIH with Bit #3

Drill from 2,121' to 2,363' (motor = 143 RPM - rotary = 40 RPM - 30,000# to 35,000# bit wt.) Service rig Drill from 2,363' to 2,395' (motor = 143 RPM - rotary = 40 RPM - 20,000# to 35,000# bit wt.) WLS @ 2,318' = 3/4o Drill from 2,395' to 2,428' (motor = 143 RPM - rotary = 40 RPM - 20,000# to 35,000# bit wt.) Rig repair on # 2 pump - change out 3 bad valve seats - replace flow sensor on flow line Drill from 2,428' to 2,552' (motor = 143 RPM - rotary = 40 RPM - 10,000# to 33,000# bit wt.) - bit torqueing up - pressure would rise 300#, when attempting to put additional weight on bit Drop Totco @ 2,478' = 1/2o & trip out for bit LD motor & Bit # 2 - PU new motor & Bit # 3 - test motor - OK TIH with Bit # 3 - 12 1/4" Retip Security XS-43 serial # 10413173

03/09/2003 Depth 3,025
Progress 473
AFE: 23073 Present Operation: Drlg

TIH with Bit # 3 Wash & ream 100' to bottom - no fill Drill from 2,552' to 2,687' (motor = 116 RPM - rotary = 40 RPM - 25K to 40K bit wt.) Service rig Drill from 2,687' to 3,025' (motor = 116 RPM - rotary = 40 RPM - 35K to 40K bit wt.)

03/10/2003 Depth 3,330
Progress 305
AFE: 23073 Present Operation: Drlg

Drill from 3,025' to 3,037' (motor = 116 RPM - rotary = 40 RPM - 35K to 40K bit wt.) Service rig WLS @ 2,960' = 1o Drill from 3,037' to 3,292' (motor = 116 RPM - rotary = 40 RPM - 35K to 45K bit wt.) - bit stopped drilling Drop Totco @ 3,292' = 1 1/4o & trip out for bit - Bit # 3 12 1/4" Retip Security XS-43 SN = 10413173 3 -14's in @ 2,552' out @ 3,292' cut 740' in 38.5 hrs. condition T8 B8 1/4" out of gauge TIH with Bit # 4 & BHA - test motor - OK Finish TIH Wash & ream 80' to bottom - no fill Drill from 3,292' to 3,330' (motor = 116 RPM - rotary = 40 RPM - 20K to 25K bit wt.)

03/11/2003 Depth 3,663
Progress 333
AFE: 23073 Present Operation: Drlg

Drill from 3,330' to 3,359' (motor = 116 RPM - rotary = 40 RPM - 20K to 25K bit wt.) - vibration in mud motor when additional bit wt. is applied - bit not drilling properly Service rig Drop Totco @ 3,359' = 1o & trip out - LD motor & Bit # 4 12 1/4" Retip Security XL43N 14/14/16 SN = 10406504 in @ 3,292' out @ 3,359' cut 67' in 5 hrs. condition = T2 B4 in gauge Cut 144' of drilling line Wait on delivery of new mud motor TIH with Bit # 5 , new mud motor, BHA & 8" DC's - test motor - OK Finish TIH Wash & ream 60' to bottom - no fill Drill from 3,359' to 3,663' (motor = 116 RPM - rotary = 40 RPM - 40K to 42K bit wt.)

03/12/2003 Depth 4,125
Progress 462
AFE: 23073 Present Operation: Drlg

Drill from 3,663' to 3,702' (motor = 116 RPM - rotary = 40 RPM - 40K to 42K bit wt.) Service rig Drill from 3,702' to 3,860' (motor = 116 RPM - rotary = 40 RPM - 40K to 42K bit wt.) WLS @ 3,783' = 1o Drill from 3,860' to 4,125' (motor = 116 RPM - rotary = 40 RPM - 40K to 42K bit wt.)

03/13/2003 Depth 4,200
Progress 75
AFE: 23073 Present Operation: Testing BOPs & Choke Manifold

Drill from 4,125' to 4,200' TD (motor = 116 RPM - rotary = 40 RPM - 40K to 42K bit wt.) - Reached TD of the 12 1/4" hole @ 9:45 AM (CST) 3/12/03 - ran fluid caliper - ann. vol. = 2,297 ft.3 to circ. cmt. Pump 30 Bbl. viscous sweep & circulate Drop Totco @ 4,200' = 3/4o & trip out with DP RU LD Machine & POOH LD 18 - 8" DC's, IBS, BHR, 8" mud motor & bit RU casing crew & ran 99 Jts. 9 5/8" casing [4,204.67'] (See Casing Detail) set at 4,200' KB Attempt to RU Halliburton Cement

Head - no success - bad threads - installed swedge Circulate with swedge & wait on new Halliburton Cement Head Halliburton cemented 9 5/8" csg. (Lead) 1100 sx Interfill "C" + 1/4# Flocele per sx, followed by (Tail) 235 sx Premium Plus Cement + 1% CaCl + 1/4# Flocele per sx - plug down & bumped with 1,400# at 10:40 PM (CST) 3/12/03 - circulated 315 sx cement - BLM was notified - didn't witness job ND & PU BOP - set 9 5/8" casing slips in 140,000# - cut off 9 5/8" casing - installed a 13 5/8" 3M X 11" 5M "B" Section Spool & tested same to 1,200# - OK - NU BOP's & choke manifold - testing BOP's, choke manifold & associated equipment to 5,000# - BLM was notified - not witnessing test

03/14/2003

Depth 4,741
Progress 541

AFE: 23073

Present Operation: Drlg

Test BOP's, choke manifold & associated equip. to 5,000# - BLM was notified - didn't witness test Install wear bushing - PU & TIH w/ Bit # 6, mud motor, BHR, IBS, 6 3/4" & 6" DC's - test motor - OK TIH with DP - LD 11 jts. DP - tagged up on cement at 4,150' Test 9 5/8" casing, well head & BOP to 2,200# for 30 mins. - OK Drill cement, plug, float collar & cement to shoe from 4,150' to 4,200' Drill from 4,200' to 4,210' (motor = 128 RPM - rotary = 40 RPM - 20K to 30K bit wt.) - back on formation at 1:15 PM (CST) 3/13/2003 Test formation from 4,200' to 4,210' to 460# (10.5 #/gal. mud equiv. wt. with 8.4 #/gal. fluid) - OK Service rig Drill from 4,210' to 4,741' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.)

Form 3160-5
(November 1994)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.
NMNM 106964

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM 106827

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Magnum Federal 5 Com No. 3

2. Name of Operator
Gruy Petroleum Management Co.

9. API Well No.
30-015-32651

3a. Address
P. O. Box 140907 Irving, TX 75014-0907

3b. Phone No. *(include area code)*
972-401-3111

10. Field and Pool, or Exploratory Area
Turkey Track, Morrow North

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
660' FSL & 710' FEL Sec. 5 T18S R31E

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Set Production Casing
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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04-11-03 Reached TD of 8-3/4" hole at 8:30 PM CST.

04-12-03 Logger's TD-11076'.

04-13-03 Ran 258 jts 7" casing. Cemented 1st stage with lead of 300 sx Interfill "H" + 1/4# Flocele + 5# Gilsonite + 0.1% HR-7. Tailed with 325 sx Super "H" + 2.5# Salt + 0.4% CFR-3 + 0.5% LAP-1 + 0.25# D-AIR 3000 + 5# Gilsonite + 1/4# Flocele + 0.2 HR-7. Circulated 80 sx to surface.

04-14-03 Cemented 2nd stage with lead of 350 sx Interfill "C" + 1/4# Flocele. Tailed with 100 sx Premium Neat Cement. No cement to surface on second stage-calculated TOC at 4130'. Released Patterson-UTI Rig #75 at 6:00 PM to go to the Bradley Federal Com #1.

Please See Attached Report.

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

Title
Production Assistant

Signature
Natalie Krueger

Date
April 15, 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 14, 2003 Thru April 15, 2003

OPERATED

SHUGART

GRUY PETROLEUM MANAGEMENT CO
76978 MAGNUM FEDERAL 5 COM 3
EDDY, NM

660'FSL & 710'FEL Sec 5 T18S R31E

W.I. Pct BCP 50.00 %
W.I. Pct ACP 50.00 %
Strawn / 12,500'

03/15/2003		Depth	5,253
		Progress	512
AFE:	23073	Present Operation:	Drlg

Drill from 4,741' to 4,756' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.) WLS @ 4,673' = 1o Service rig Drill from 4,756' to 5,075' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.) WLS @ 4,992' = 1 1/2o Drill from 5,075' to 5,253' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.)

03/16/2003		Depth	5,718
		Progress	465
AFE:	23073	Present Operation:	Drlg

Drill from 5,253' to 5,360' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.) Service rig WLS @ 5,277' = 2 1/4o Drill from 5,360' to 5,580' (motor = 128 RPM - rotary = 40 RPM - 10K to 30K bit wt.) WLS @ 5,497' = 1 3/4o Drill from 5,580' to 5,718' (motor = 128 RPM - rotary = 40 RPM - 15K to 30K bit wt.)

03/17/2003		Depth	6,120
		Progress	402
AFE:	23073	Present Operation:	Drlg

Drill from 5,718' to 5,802' (motor = 128 RPM - rotary = 40 RPM - 25K to 30K bit wt.) Service rig WLS @ 5,719' = 1 1/4o Drill from 5,802' to 6,086' (motor = 128 RPM - rotary = 40 RPM - 33K to 35K bit wt.) WLS @ 6,003' = 1o Drill from 6,086' to 6,120' (motor = 128 RPM - rotary = 40 RPM - 35K to 40K bit wt.)

03/18/2003		Depth	6,490
		Progress	370
AFE:	23073	Present Operation:	Drlg

Drill from 6,086' to 6,276' (motor = 128 RPM - rotary = 40 RPM - 35K to 40K bit wt.) Service rig Drill from 6,276' to 6,304' (motor = 128 RPM - rotary = 40 RPM - 35K to 40K bit wt.) - started seeing a spiking pump pressure increase & rotary torqueing Drop Totco @ 6,225' = 1 1/4o & trip out for bit - LD motor & Bit # 6 8 3/4" HTC HR-S38CH 3-14's Serial # 5005548 in @ 4,200' out @ 6,304' cut 2,104' in 93.25 hrs. condition T8 B8 5/16" out PU & TIH with Bit # 7, new motor, BHA & DC's - test motor - OK TIH with DP to 6,197' Wash & ream 107' to bottom from 6,197' to 6,304' - no fill Drill from 6,304' to 6,490' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.)

03/19/2003		Depth	6,808
		Progress	318
AFE:	23073	Present Operation:	Drlg

Drill from 6,490' to 6,683' (motor = 128 RPM - rotary = 40 RPM - 30K to 35K bit wt.) Service rig WLS @ 6,600' = 3o Drill from 6,683' to 6,808' (motor = 128 RPM - rotary = 40 RPM - 20K to 25K bit wt.)

03/20/2003 Depth 6,909
Progress 101
AFE: 23073 Present Operation: TIH with Bit #8

Drill from 6,808' to 6,845' (motor = 128 RPM - rotary = 40 RPM - 20K to 25K bit wt.) Service rig WLS @ 6,762' = 4o Drill from 6,845' to 6,877' (motor = 128 RPM - rotary = 40 RPM - 20K bit wt.) WLS @ 6,826' = 4 1/4o Drill from 6,877' to 6,909' (motor = 128 RPM - rotary = 40 RPM - 18K to 20K bit wt.) WLS @ 6,857' = 4 1/2o POOH - check motor - OK - LD Bit # 7 8 3/4" HTC HR-S44C 2-15's 1-14 Serial # 6011243 in @ 6,304' out @ 6,909' cut 605' in 45.25 hrs. condition = T5 B5 1/8" out of gauge TIH with Bit # 8, same motor - changed BHA to pendulum assembly & TIH with DC's - test motor - OK TIH with DP

03/21/2003 Depth 7,026
Progress 117
AFE: 23073 Present Operation: Drlg

TIH with Bit # 8 - LD 6 Jts. DP - tight hole on new BHA configuration Wash & ream 165' to bottom from 6,744' to 6,909' Service rig Drill from 6,909' to 6,951' (motor = 126 RPM - rotary = 40 RPM - 13K to 15K bit wt.) WLS @ 6,899' = 5o Drill from 6,951' to 6,982' (motor = 126 RPM - rotary = 40 RPM - 15K bit wt.) WLS @ 6,931' = 4 3/4o Drill from 6,982' to 7,014' (motor = 126 RPM - rotary = 40 RPM - 15K bit wt.) WLS @ 6,963' = 5o Drill from 7,014' to 7,026' (motor = 126 RPM - rotary = 40 RPM - 15K bit wt.)

03/22/2003 Depth 7,103
Progress 77
AFE: 23073 Present Operation: Drlg

Drill from 7,026' to 7,046' (motor = 126 RPM - rotary = 40 to 45 RPM - 15K bit wt.) Service rig WLS @ 6,994' = 4 1/4o Drill from 7,046' to 7,063' (motor = 126 RPM - rotary = 40 to 45 RPM - 15K to 18K bit wt.) - drilling rate slowed down to 2' / hr. - a lot of vibration to surface POOH - [tight hole from 6,450' to 6,545' bit depth] - checked IBS's, BHR & bit - all OK - LD Motor TIH with same Bit # 8, new motor , BHA & DC's - test motor - OK Cut 114' of drilling line TIH with DP Drill from 7,063' to 7,077' (motor = 128 RPM - rotary = 52 RPM - 15K to 17K bit wt.) WLS @ 7,026' = 4 1/2o Drill from 7,077' to 7,103' (motor = 128 RPM - rotary = 52 RPM - 15K to 17K bit wt.)

03/23/2003 Depth 7,237
Progress 134
AFE: 23073 Present Operation: Drlg

Drill from 7,103' to 7,109' (motor = 128 RPM - rotary = 52 RPM - 15K to 17K bit wt.) Service rig WLS @ 7,057' = 5o Drill from 7,109' to 7,115' (motor = 128 RPM - rotary = 52 RPM - 15K bit wt.) POOH -[tight hole from 6,576' to 6,607' bit depth] changed BHA & LD Bit # 8 8 3/4" HTC HR-S44CH serial # M35JW 2-15's 1-14 in @ 6,909' out @ 7,115' cut 206' in 35.75 hrs. cond. T2 B4 in gauge TIH with Bit # 9, BHA, DC's & DP to 7,046' Wash & ream 69' to bottom from 7,046' to 7,115' - no fill Drill from 7,115' to 7,158' (motor = 128 RPM - rotary = 40 RPM - 15K to 17K bit wt.) WLS @ 7,107' = 5o Drill from 7,158' to 7,190' (motor = 128 RPM - rotary = 40 RPM - 15K to 17K bit wt.) WLS @ 7,139' = 4 1/2o Drill from 7,190' to 7,222' (motor = 128 RPM - rotary = 40 RPM - 17K bit wt.) WLS @ 7,171' = 4o Drill from 7,222' to 7,237' (motor = 128 RPM - rotary = 40 RPM - 20K bit wt.)

03/24/2003 Depth 7,416
Progress 179
AFE: 23073 Present Operation: Drlg

Drill from 7,237' to 7,254' (motor = 128 RPM - rotary = 40 RPM - 20K bit wt.) Service rig WLS @ 7,203' = 3 3/4o Drill from 7,254' to 7,286' (motor = 128 RPM - rotary = 40 RPM - 15K to 18K bit wt.) WLS @ 7,235' = 4o Drill from 7,286' to 7,318' (motor = 128 RPM - rotary = 40 RPM - 15K to 18K bit wt.) WLS @ 7,267' = 3o Drill from 7,318' to 7,350' (motor = 128 RPM - rotary = 40 RPM - 18K to 20K bit wt.) WLS @ 7,299' = 3 1/4o Drill from 7,350' to 7,414' (motor = 128 RPM - rotary = 40 RPM - 18K bit wt.) WLS @ 7,363' = 3o Drill from 7,414' to 7,416' (motor = 128 RPM - rotary = 40 RPM - 18K bit wt.)

03/25/2003 Depth 7,575

Progress 159
AFE: 23073 Present Operation: Drlg

Drill from 7,416' to 7,478' (motor = 128 RPM - rotary = 40 RPM - 18K bit wt.) Service rig - pump through hydraulic choke & mud/gas separator - OK WLS @ 7427' = 3 1/4o Drill from 7,478' to 7,542' (motor = 128 RPM - rotary = 40 RPM - 16 to 18K bit wt.) WLS @ 7491' = 2o Drill from 7,542' to 7,575' (motor = 128 RPM - rotary = 40 RPM - 18 to 20K bit wt.)

03/26/2003 Depth 7,695
Progress 120
AFE: 23073 Present Operation: Drlg

Drill from 7,575' to 7,606' (motor = 128 RPM - rotary = 40 RPM - 18K to 20K bit wt.) Service rig WLS @ 7,555' = 2 1/2o Drill from 7,606' to 7,670' (motor = 128 RPM - rotary = 40 RPM - 18K to 19K bit wt.) WLS @ 7,619' = 2 3/4o Drill from 7,670' to 7,695' (motor = 128 RPM - rotary = 40 RPM - 16K to 17K bit wt.)

03/27/2003 Depth 7,814
Progress 119
AFE: 23073 Present Operation: Drlg

Drill from 7,695' to 7,702' (motor = 128 RPM - rotary = 40 RPM - 16K to 17K bit wt.) Service rig WLS @ 7,651' = 3o POOH - LD motor & Bit # 9 8 3/4" HTC HR-S44C 3-15's serial # 6011802 in @7,115' out @ 7,702' cut 587' in 81 hrs. condition = T6 B4 1/8" out of gauge PU Bit # 10, new motor & BHR - TIH with BHA & DC's - test motor - OK TIH with DP to 7,525' - hole getting tight on new BHA Wash & ream 177' from 7,525' to 7,702' Drill from 7,702' to 7,768' (motor = 129 RPM - rotary = 40 RPM - 18K to 19K bit wt.) WLS @ 7,717' = 3o Drill from 7,768' to 7,814' (motor = 129 RPM - rotary = 40 RPM - 18K to 19K bit wt.)

03/28/2003 Depth 7,982
Progress 168
AFE: 23073 Present Operation: Drlg

Drill from 7,814' to 7,832' (motor = 129 RPM - rotary = 40 to 45 RPM - 18K to 19K bit wt.) Service rig WLS @ 7,781' = 3o Drill from 7,832' to 7,896' (motor = 129 RPM - rotary = 48 RPM - 18K to 22K bit wt.) WLS @ 7,844' = 2 1/4o Drill from 7,896' to 7,959' (motor = 129 RPM - rotary = 48 RPM - 25K bit wt.) WLS @ 7,907' = 2o Drill from 7,959' to 7,982' (motor = 129 RPM - rotary = 48 RPM - 30K bit wt.)

03/29/2003 Depth 8,184
Progress 202
AFE: 23073 Present Operation: Drlg

Drill from 7,982' to 8,054' (motor = 128 RPM - rotary = 48 RPM - 30K bit wt.) Service rig WLS @ 8,003' = 2 1/2o Drill from 8,054' to 8,181' (motor = 128 RPM - rotary = 48 RPM - 30K bit wt.) WLS @ 8,130' = 2o Drill from 8,181' to 8,184' (motor = 128 RPM - rotary = 48 RPM - 35K bit wt.)

03/30/2003 Depth 8,515
Progress 331
AFE: 23073 Present Operation: Drlg

Drill from 8,184' to 8,309' (motor = 128 RPM - rotary = 48 RPM - 35K bit wt.) Service rig Drill from 8,309' to 8,501' (motor = 128 RPM - rotary = 48 RPM - 35K bit wt.) WLS @ 8,449' = 1 1/4o Drill from 8,501' to 8,515' (motor = 128 RPM - rotary = 48 RPM - 40K bit wt.)

03/31/2003 Depth 8,754
Progress 239
AFE: 23073 Present Operation: Drlg

Drill from 8,515' to 8,635' (motor = 128 RPM - rotary = 48 RPM - 40K bit wt.) - started adding brine water to mud system at 8,600' - pump pressure started to spike at 8,635' Service rig Drop Totco @ 8,576' = 2 1/4o & trip out - LD motor & Bit # 10 8 3/4" HTC HR-S44CH 3-15's serial # 5026071

in @ 7,702' out @ 8,635' cut 933' in 85 1/2 hrs. condition T8 B8 1/2" out of gauge & missing one grease port plug PU new motor & Bit # 11 - checked BHR & IBS for gauge - OK - TIH with DC's - test motor - OK TIH with DP to 8,507' Wash & ream 128' from 8,507' to 8,635' Drill from 8,635' to 8,754' (motor = 124 RPM - rotary = 48 RPM - 23K to 25K bit wt.)

04/01/2003 Depth 9,050
Progress 296
AFE: 23073 Present Operation: Drlg

Drill from 8,754' to 8,776' (motor = 124 RPM - rotary = 40 RPM - 20K to 23K bit wt.) Service rig WLS @ 8,725' = 1 1/4o Drill from 8,776' to 9,030' (motor = 124 RPM - rotary = 43 RPM - 33K to 35K bit wt.) WLS @ 8,979' = 1o Drill from 9,030' to 9,050' (motor = 124 RPM - rotary = 43 RPM - 35K to 40K bit wt.)

04/02/2003 Depth 9,490
Progress 440
AFE: 23073 Present Operation: Drlg

Drill from 9,050' to 9,153' (motor = 124 RPM - rotary = 43 RPM - 25K to 40K bit wt.) Rotary torqued up - PU & reamed a full joint backed to bottom Drill from 9,153' to 9,218' (motor = 124 RPM - rotary = 43 RPM - 25K to 35K bit wt.) Service rig Circulate samples up for mud logger at 9,218' Drill from 9,218' to 9,472' (motor = 124 RPM - rotary = 43 RPM - 30K to 35K bit wt.) WLS @ 9,389' = 1o Drill from 9,472' to 9,490' (motor = 124 RPM - rotary = 43 RPM - 30K to 35K bit wt.)

04/03/2003 Depth 9,577
Progress 87
AFE: 23073 Present Operation: Drlg

Drill from 9,490' to 9,554'(motor = 124 RPM - rotary = 43 RPM - 30K to 35K bit wt.) Service Rig Drill from 9,554' to 9,567' (motor = 124 rpm - rotary = 43 rpm - 30k to 35k bit wt). DP psi inc and Bit start skipping and torquing. Drop totoco TOH. No drag or tight intervals C/O Motor and Bit. Motor and Bit had bad bearing TIH Test Motor Slip and cut Drilling Line TIH Repair Hydomatic TIH Wash and Ream 65' to bottom. No fill and 30' of out of gauge hole Drill f/ 9,567' to 9,577' (motor rpm = 124 - rotary = 43 rpm - 30k bit wt) BG gas = 25 Max gas = 100 No shows

04/04/2003 Depth 9,998
Progress 421
AFE: 23073 Present Operation: Drlg

Drill from 9,577' to 9,629' (motor =124 - rotary = 43 rpm - 35k bit wt) Service Rig Drill from 9,629' to 9,724' (motor =124 - rotary = 43 rpm - 35k bit wt) Survey @ 9,682' = 1.0 Deg Drill from 9,724' to 9,998' (motor =124 - rotary = 43 rpm - 35k bit wt)

04/05/2003 Depth 10,263
Progress 265
AFE: 23073 Present Operation: Drlg

Drill from 9,998' to 10,040' (motor =124 - rotary = 43 rpm - 35k bit wt) Service Rig Drill from 10,040' to 10,229' (motor =124 - rotary = 43 rpm - 35k bit wt) Survey @ 10,182' = 3.0 Deg Drill from 10,229' to 10,263' (motor =124 - rotary = 43 rpm - 30k bit wt)

04/06/2003 Depth 10,314
Progress 51
AFE: 23073 Present Operation: Drlg

Drill from 10,263' to 10,292' (motor = 134 rpm - rotary 43 rpm - 35k bit wt) Survey @ 10,219' Drill from 10,292' to 10,309" (motor = 134 rpm - rotary 43 rpm - 35k bit wt). Drilling rate declined to 2' a hour with last foot taking 45 mins TOH. C/O motor and bit TIH w/ DC's. Test motor. TIH Wash and ream 76' to bottom'. No fill or out of gauge hole Drill from 10,309' to 10,314' (motor = 134 rpm - rotary 43 rpm - 35k bit wt

04/07/2003 Depth 10,395

		Progress	81
AFE:	23073	Present Operation:	Drlg

Drill from 10,314' to 10,332' (Motor =134 rpm - rotary= 43 - 28k bit wt) Service Rig Drill from 10,332' to 10,395' (Motor = 134 rpm - rotary= 43 - 28k bit wt Run in DP w/ Survey Tool Repair elec box on Machine and repair chain x 3. WLS @ 10,322' = 3 1/2 Deg

04/08/2003		Depth	10,553
		Progress	158
AFE:	23073	Present Operation:	Drlg

Rig repair on wireline survey machine Drill from 10,395' to 10,427' (motor = 126 RPM - rotary = 43 RPM - 28K bit wt.) Service Rig Drill from 10,427' to 10,553' (motor = 126 RPM - rotary = 43 RPM - 28K bit wt.)

04/09/2003		Depth	10,720
		Progress	167
AFE:	23073	Present Operation:	POOH for DST #1

Drill from 10,553' to 10,618' (motor = 126 RPM - rotary = 43 RPM - 28K bit wt.) Service rig Circulate samples for mud logger @ 10,618' Drill from 10,618' to 10,720' (motor = 126 RPM - rotary = 43 RPM - 28K bit wt.) Circulate samples for mud logger @ 10,720' & for DST # 1 Drop Totco @ 10,663' = 4 1/4o & slug DP - POOH for DST # 1

04/10/2003		Depth	10,760
		Progress	40
AFE:	23073	Present Operation:	Drlg

POOH for DST # 1 - LD IBS, BHR, Motor & Bit # 13 Service Rig PU & MU Rig Testers, Inc. DST Tools & TIH with DST tools Run DST # 1 (Strawn Reef) 10,576' to 10,720' - 144' test - 15 min. preflow - tool open on a 1/2" choke 100# & GTS in 4 mins. increasing to 270# - 1.85 MMCFD gas rate - ISI for 60 mins. - FF tool open on a 1/2" choke - 100# to 250# in 15 mins. - 1.8 MMCFD gas rate - mud to surface in 16 mins.- 400# to 450# - hvy. oil mist in 25 mins. - 1,000# - SI after 39 mins. of FF period - FSI for 120 mins. Pull DST tools loose & POOH - top of oil in the 100th stand out Reversed out 7 Bbls. 49.5 gravity oil at 60oF - 1 Bbl. 25% oil cut drilling mud below circulating sub POOH - LD DST Tools - IHP = 5,172# IFP = 1,632# - 1,735# ISIP = 4,180# FFP = 1,609# - 2,329# FSIP = 4,088# FHP = 5,146# sample chamber = 2,450# contained 7.56 ft.3 gas & 400cc free oil TIH with Bit # 13 & DC's Cut drilling line Continue TIH - install rotating head rubber & wash 50' of soft fill to bottom Drill from 10,720' to 10,760' BGG = 35 units - trip gas = 183 units - lag = 73 mins.

04/11/2003		Depth	10,997
		Progress	237
AFE:	23073	Present Operation:	Drlg

Drill from 10,760' to 10,850' Service rig Drill from 10,850' to 10,997'

04/12/2003		Depth	11,100
		Progress	103
AFE:	23073	Present Operation:	RU to Run OH Logs

Drill from 10,997' to 11,055' Service rig Drill from 11,055' to 11,100' TD - (reached TD of 8 3/4" hole at 8:30 PM 4/11/2003) Circulate 10 stand short trip out to 10,149' - TIH - no fill - no problems Circulate Drop Totco @ 11,069' = 3 3/4o & trip out to run open hole logs - pull wear bushing

04/13/2003		Depth	11,100
		Progress	0
AFE:	23073	Present Operation:	CIRC B/U

RU Halliburton & run open hole logs - Logger's TD = 11,076' - Ran Spectral Density Dual-Spaced Neutron Log, Dual Laterolog Micro-Guard Log, Full Wave Sonic Monitor Log & Long Spaced Sonic Log - RD Halliburton RU Computalog & ran 9 5/8" Casing Inspection Log - no severe wear - RD Computalog TIH with Bit # 13, bit sub, DC's & DP to 4,000' Break circulation at 4,000' TIH to 8,000' Break circulation at 8,000' TIH to 11,100' TD & wash 36' to bottom - no fill Circulate

04/14/2003 Depth 11,100
Progress 0
AFE: 23073 Present Operation: CIRC Through DV Tool

Circulate RU laydown machine & POOH LD DP & DC's - break kelly RU casing crew & ran 258 jts. 7" casing (See Casing Detail) 11,109.88' total pipe - set at 11,100' KB RD casing crew & laydown machine Circulate to clear casing & to circulate bottoms up Halliburton cemented 1st stage (Lead) 300 sx Interfill "H" + 1/4# Flocele + 5# Gilsonite + 0.1% HR-7 (Tail) 325 sx Super "H" + 2.5# Salt + 0.4% CFR-3 + 0.5% LAP-1 + .25# D-AIR 3000 + 5# Gilsonite + 1/4# Flocele + 0.2% HR-7 - plug down & bumped with 2,054# at 3:40 AM (CDT) 4/14/03 - floats held OK Dropped bomb & opened DV Tool with 760# at 4:33 AM (CDT) 4/14/03 - circulated through DV Tool - WOC - circulated 80 sx cement to surface from 1st stage

04/15/2003 Depth 11,100
Progress 0
AFE: 23073 Present Operation: Released Rig

Circulate through DV Tool - WOC Halliburton cemented 2nd stage (Lead) 350 sx Interfill "C" + 1/4# Flocele (Tail) 100 sx Premium Neat Cement - plug down & closed DV Tool with 3,100# at 10:50 AM (CDT) 4/14/03 - held OK - full circulation through out entire job - no cement to surface on 2nd stage - calculated TOC to be at 3,700' ND & PU BOP - set 7" casing slips in 275,000# - cut off 7" casing - LD BOP - installed an 11" 5,000# X 7 1/16" 5,000# tubing head & tested head to 4,000# - OK - jetted & cleaned steel pits - Released Patterson-UTI Rig # 75 at 6:00 PM (CDT) 4/14/2003 to go to the Bradly Federal Com # 1 RD Rig Pro Wireline Inc. ran temperature survey to find top of cement on 2nd stage - TOC @ 4,130' KB