

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC

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

c/si

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM 68039	
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		7. If Unit or CA/Agreement, Name and/or No. Pending	
3b. Phone No. (Include area code) 972-402-3111		8. Well Name and No. Magnum Federal 5 Com No. 2	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 1650' FEL Sec. 5 T18S R31E		9. API Well No. 30-015-31570	
		10. Field and Pool, or Exploratory Area Undes. Shugart, Strawn North	
		11. County or Parish, State Eddy Co. NM	

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

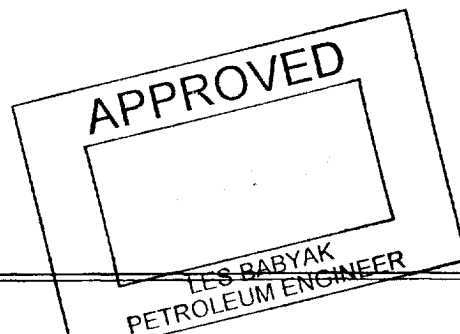
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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.)

Request approval to set CIBP at 11590 w 2 sx cement and perf Strawn intervals as per attached procedure.

Complete well as Strawn producer

See Attached



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Zeno Farris		Title Manager Operations Administration
Signature <i>Zeno Farris</i>		Date November 1, 2002

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.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31570	Pool Code	Pool Name UDES. Shugart Morrow North
Property Code 162683	Property Name MAGNUM 5 FEDERAL Com	Well Number 2
OGRD No.	Operator Name GRUY PETROLEUM MANAGEMENT CO.	Elevation 3707

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	5	18 S	31 E		660'	SOUTH	1650	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 160	Joint or Infill N	Consolidation Code P	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 39.97 AC	LOT 3 39.99 AC	LOT 2 40.01 AC	LOT 1 40.03 AC
		Magnum Federal 5 Com 1	
		Magnum Federal 5 Com 2	
		3710 3708 3706 3708	3708 1650' 3706

2002
RECEIVED
OCD - ARTESIA

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Zeno Farris
Signature
Zeno Farris
Printed Name
Mgr. Operations Admin.
Title
11/01/02
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 22, 2000

Date Surveyed
Signature & Seal of Professional Surveyor
00-11-1486
Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

RECOMMENDED WELLWORK PROCEDURE
MAGNUM 5 #2
SHUGART, NORTH
EDDY COUNTY, NEW MEXICO

WELL DATA

SPUD DATE: 2/1/01
PERM. ZERO PT.: GL=3707'
TOTAL DEPTH: 11,945'
PBTD : 11767' (CIBP w/ 1 sx cmt)
SURFACE CSG: 13-3/8", 48#, H-40 @ 579'
INTER CSG : 8-5/8", 32#, J-55 @ 3211'
PROD CSG: 5-1/2", 17#, P-110 & N-80 @ 11,945'
PERFS: 11694-11706'
TBG: 2-3/8"
PKR: Pkr @ 11592' (Unknown make & model – best guess is ArrowSet 1-X)

OBJECTIVE: An offset Strawn well has been completed testing over 1100 BOPD. It is currently producing at restricted rate of 300 BOPD. The same interval is in this well. Recommend completing the Strawn in this well to prevent drainage. The Morrow will be TA'd such that it can be recompleted to at a future date.

******* SAFETY IS TOP PRIORITY *******

PROCEDURE:

1. MIRU wellservice rig. Load tbg. ND WH. NU BOP's and test.
2. Rls pkr & POH laying down PowerPerf gun and 2-3/8" tbg.
3. MIRU e-line. Install pack-off. WL set CIBP +/- 11590'. Dump 20' cmt on top. RD e-line.
4. PU & RIH w/ 2-7/8" workstring to CIBP. Circ hole clean w/ 4% KCL wtr. Test CIBP. POH.
5. MIRU e-line. Install lubricator. RIH w/ csg gun and GR/CCL tools. Run strip log to get on depth. Perforate the Lower Strawn 10892-10900, 10908-10912, 10915-10919, 10934-10938, 10954-10956 and 10960-10970', 2 spf by Baker Atlas Compensated Z-Densilog Compensated Neutron / Gamma Ray log dated 3/15/01. RD e-line.

NOTE: No cased-hole log available for correlation in Midland office. Use lubricator instead of pack-off since offset well came in after only perforating.

6. RIH w/ pkr on 2-7/8" workstring to 10850'. Set pkr. Load & test annulus.

7. Load tbq. Breakdown perfs 10892-10970' w/ 10 bbls KCL wtr. SI. Record ISIP and 15 min shut-in pressure.
8. Swab test perfs 10892-10970'.
9. Evaluate for additional stimulation.
10. Rls pkr & POH.
11. MIRU e-line. Install lubricator. WL set RBP +/- 10880'. Dump 2 sx sand on plug.
12. Load and test RBP.
13. Install lubricator. RIH w/ csg gun and GR/CCL tools. Run strip log to get on depth. Perforate the Middle Strawn 10725-10732, 10746-10750, 10780-10784, 10790-10804, 10810-10816, 10820-10828 and 10856-10858', 2 spf by Baker Atlas Compensated Z-Densilog Compensated Neutron / Gamma Ray log dated 3/15/01. RD e-line.
14. RIH w/ pkr on 2-7/8" workstring to 10650'. Load annulus & test.
15. Load tbq. Breakdown perfs 10725-10858' w/ 10 bbls KCL wtr. SI. Record ISIP and 15 min shut-in pressure.
16. Swab test perfs 10725-10858'.
17. Evaluate for additional stimulation.
18. Rls pkr. Lower & latch RBP. POH w/ RBP & pkr.
19. MIRU e-line. Install lubricator. WL set RBP +/- 10715'. Dump 2 sx sand on plug.
20. Load and test RBP.
21. Install lubricator. RIH w/ csg gun and GR/CCL tools. Run strip log to get on depth. Perforate the Upper Strawn 10562-10574, 10598-10602, 10622-10632, 10642-10664, 10670-10672 and 10682-10690, 2 spf by Baker Atlas Compensated Z-Densilog Compensated Neutron / Gamma Ray log dated 3/15/01. RD e-line.
22. RIH w/ pkr on 2-7/8" workstring to +/- 10500'. Load annulus and test.
23. Load tbq. Breakdown perfs 10562-10690' w/ 10 bbls KCL wtr. SI. Record ISIP and 15 min shut-in pressure.
24. Swab test perfs 10562-10690'.
25. Evaluate for additional stimulation.
26. Rls pkr. Lower & latch RBP. POH w/ RBP & pkr.

27. PU & RIH w/ pkr & on-off tool on 2-7/8" production tbg. Set pkr +/- 10500'. Rls from pkr.
Rev annulus w/ pkr fluid. Latch pkr. Test annulus.

28. ND BOP's. NU wellhead.

29. Swab well in to flow.

30. RD&RR.

31. Open well and flow to test.

GRUY PETROLEUM MANAGEMENT CO.

SPUDDED 2/1/01

MAGNUM 5 #2

API 30-015-31570

CURRENT COMPLETION

Sherry Reid Carroll 10/16/02

KB: -
DF: -
GL: 370'

660' FSL & 1650' FEL
Sec 5, T-18-S, R-31-E
Unit Letter O
Eddy Co, New Mexico

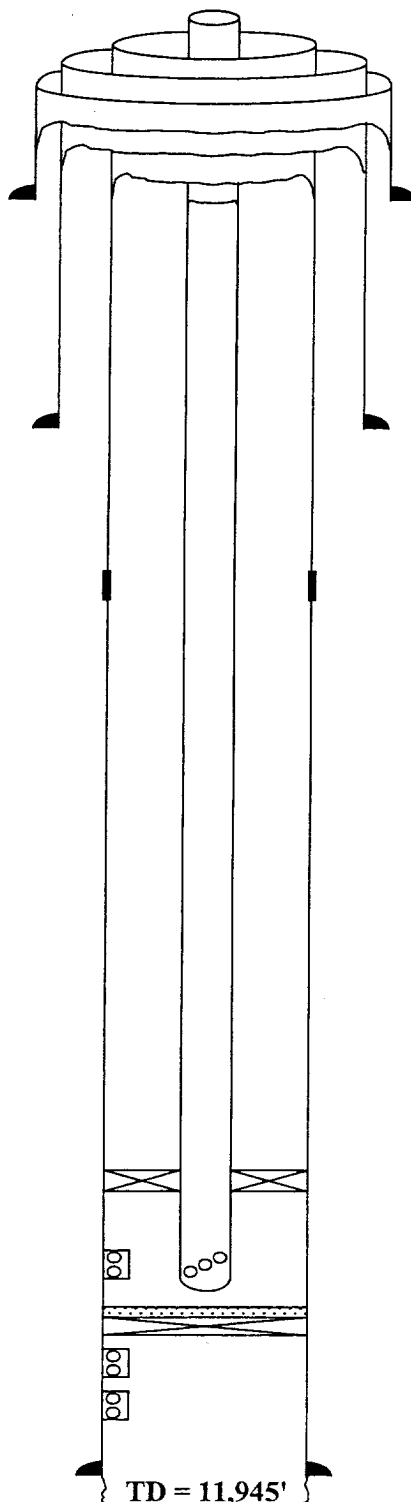
Casing Strings:
? conductor

13-3/8" (17-1/2" hole), 48#, H-40
@ 579' w/ 525 sx cmt
TOC @ surface - circ

8-5/8" (12-1/4" hole), 32#, J-55
@ 3211' w/ 1200 sx cmt
TOC @ surface - circ

5-1/2" (7-7/8" hole), 17#, P-110 & N-80
@ 11,945' w/ DV @ ?
(depth could be 6987, 7005 or 7022')
1st stg - 855 sx cmt (circ off DV)
2nd stg - 660 sx cmt (TOC @ 3000'?)

2-3/8" tbg



Pkr @ 11592' w/ guns hanging
(probably ArrowSet 1X pkr)

Morrow Perfs:

11694-11706', 72 holes, 4/2/01
11790-810 & 11830-11842, 3/29/01
11797-11842', 3/22/01

CIBP @ 11775' w/ 1 sx cmt

PBTD 11913'

TD = 11,945'

WELL HISTORY

Magnum 5 #2
API # 30-015-31570

LOCATION: Shugart, North (Morrow)
660' FSL & 1650' FEL, Sec 5, T-18S, R-31-E
Unit Letter O
Eddy County, New Mexico

ELEVATION: GL: 3707' KB: -
DF: -

DEPTHS: TD: 11,945'

SPUD DATE: 2/1/01

CSG/TBG DATA: Csg:
? conductor
13-3/8" (17-1/2" hole), 48#, H-40 @ 579' w/ 525 sx - circ
8-5/8" (12-1/4" hole), 32#, J-55 @ 3211' w/ 1200 sx - circ
5-1/2" (7-7/8" hole), 17#, P-110 & N-80 @ 11945' w/ DV tool
(depths of DV tool show to be either 6987, 7005' or 7022')
1st stage w/ 855 sx – TOC @ DV (circ)
2nd stage w/ 660 sx – TOC @ 3000' (?)

Tbg: 2-3/8"
Pkr: Pkr @ 11592'

NOTES:

RESERVOIR HISTORY

RESERVOIR	PERFS	DATE PERF'D	IP TEST
Morrow	11797-11842'	3/22/01	Swab down
Morrow	11790-11810 11830-11842'	3/29/01	Swab down – no entry
Morrow	11694-11706'	4/2/01	F, 51 BO, 0 BW, 1979 MCF, FTP 950 psi, 16/64" chk

WELL HISTORY

2/1/01 Spud
 Drill 17-1/2" hole
 Ran & cmt 13-3/8" @ 579'
 Drill 12-1/4" hole
 Ran & cmt 8-5/8" @ 3211'
 Drill 7-7/8" hole to 11945'
 Log well
 Ran & cmt 5-1/2" @ 11945' in 2 stages – circ cmt off DV
 RR 3/17/01

3/19/01 MIRU
 RIH w/ bit & csg scpr – DO DV tool – DO cmt 11858-11913'
 RIH w/ PowerPerf assembly
 Pressure tbg to 11550 psi & Perf Morrow 11797-11842'
 Swab to 11550' – no fluid entry
 POH – all shots fired
 Tagged btm @ 11908'
 Set CIBP @ 11780' & dumped 1 sx cmt
 DO cmt & CIBP
 RIH w/ pkr & tbg – set pkr @ 11708'
 Breakdown perms @ 6500 psi. EIR 2 BPM @ 7950 psi
 Acdz w/ BS – no volume found – 3 bpm @ 8000 psi
 Swab to 10500' – no info found
 Rls pkr & POH
 Perf Morrow 11790-11810 & 11830-11842' w/ csg gun
 RIH w/ pkr
 Acdz perms w/ 2000 gals HCL + BS, AIR 2.6 bpm @ 7623 psi, ISIP 7150 psi, 15 min 6616 psi
 Swab down – no fluid entry
 WL set CIBP @ 11775' & dump 1 sx cmt – new PBTD 11767'
 RIH w/ PowerPerf assembly – set pkr @ 11592'
 Press tbg to 11400 psi to detonate guns
 Perf 11694-11706', 72 holes
 Open well to test 4/2/01
 Run 4 pt 4/3/01 – AOF 1710 MCF – FBHP 2590 psi @ 11575'
 Ran BHP bombs & SI waiting on sales line

4/9/01 127 hr SIBHP 4062 psi @ 11575'
 Models as closed circular reservoir w/ skin of +20. Rec to flow and re-run BHP w/ longer build-up.

4/27/01 Open to sales

5/1/01 Test: 24 hrs, F, 51 BO, 0 BW, 1979 MCF, FTP 950 psi, 16/64" chk

5/31/01 Test: 24 hrs, F, 36 BO, 0 BW, 1701 MCF, FTP 860 psi, 20/64" chk

6/19/02 Test: 24 hrs, F, 0 BO, 0 BW, 13 MCF

10/3/02 RIH w/ BHP bombs – Tag up @ 9700' – wrk to 10000' – record pressure
 2 week SIBHP 184 psi @ 10000', FL @ 9679'
 Swab – scattered fluid @ 9700' – rec 3bbls – some salt in swab cups
 Slickline tag @ 11520'

10/7/02 67 hr SITP 155 psi
 Swab ½ bbl (FL @ 10500' & pulled from 11400')
 Rand 1-3/8" bailer – tag @ 11657' wlm – POH – no rec but btm of bailer flattened
 RIH w/ 1-3/4" imp blk & tagged @ 11657' – imp of 1-1/2" ID ring – possible firing head?
 Rand 1.906" gauge & tagged @ 11585' (profile above pkr?)

10/9/02

SITP 190 psi – open well – bled off in ½ hr – rec no fluid
Left open waiting on swab rig