

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
☐ 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)
972-4014311

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1100' FNL & 1980' FEL Sec. 1 T23S - R26E

5. Lease Serial No.
NM 040547

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
SW 550

8. Well Name and No.
Gulf Federal Com No. 3

9. API Well No.
30-015 32288

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 <u>Set Surface</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>& Intermediate Casing</u>
	<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.)

10/10/02 Spud well & drill to 257'. RU casers and run 13 jts 13 3/8" 48 H40/STC casing to 577' & tag bottom with no fill.
Used 380 sx of lead cement and 150 sx of tail cement & displace with 83 bbls. of FW. Circulated 77 sx to reserve pit.

10/14/02 RU casers & run FS, FJ, FC & 70 jts of 9.625" J-55 40 STC casing to 3190'. Wash 3' to btm & circulated.
RU Hall & pump 20 bbls. FW spacer, 1150 sx lead, 200 sx tail, & displace w/ 239 bbls. FW. Circulated 82 sx of cement to pit.

See attached drilling report

ACCEPTED FOR RECORD

OCT 16 2002

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

Name (Printed/Typed)

Natalie Krueger

Signature

Title

Production Assistant

Date

October 15, 2002

LES BABYAK
PETROLEUM ENGINEER

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

1100' FNL & 1980'FNL, Sec 1, T23S, R26E

Morrow / 12,250'

OPERATED

CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO

76741 GULF FEDERAL COM 3

EDDY, NM

10/10/2002 Depth 577
Progress 577
AFE: 22038 Present Operation: NU BOP Stack

Spud well & drill to 257'; WLS @ 238' = 1.25 DEGS; DRLG F/257-443'; wls @ 396' = .75 degs; drlg f/443-577'; trip out of hole for casing with no hole problems, LD bit & RMR; RU casers & run 13 jts 13-3/8" 48 H40/STC casing to 577' & tag btm with no fill; RU Hall & pump 380 sx of lead cmt, 150 sx of tail cmt & displace with 83 bbls of FW; bumped plug & float held, CIRC 77 sx to reserve pit. BLM rep on loc; WOC; cut conductor & casing, weld on 13-3/8" 3K wellhead & test to 500#.

10/11/2002 Depth 1,010
Progress 433
AFE: 22038 Present Operation: Drlg

NU BOP stack, choke manifold, rotating head & flowline; test blinds & manifold valves to 500#; MU BHA & TIH to 530'; drill FC at 532' & hard cmt to 550'; test casing & annular to 500# for 30 mins, test pipe rams to 500#; drill guide shoe at 577'; drillinhg from 577-1010', ran low RPM & wait until BHA tools beneath shoe; daily ROP - 36'/hr.

10/12/2002 Depth 1,748
Progress 738
AFE: 22038 Present Operation: Drlg

Drilling from 1010' - 1099'. 30 WOB and 120 RPM> Wireline Survey at 1050' - 1.5 degrees. Drilling from 1099' - 1385'. 30 WOB and 120 RPM. Wireline Survey at 1370' - 1.5 degrees. Drilling from 1385' - 1640'. 25 WOB and 120 RPM. Wireline Survey at 1593' - 2.5 degrees. Drilling from 1640' - 1748' with 20 WOB and 140 RPM. (Motor-80 / Rotary-60) Daily ROP - 32.8'/hr. / Cum ROP - 33.9'/hr.

10/13/2002 Depth 2,400
Progress 652
AFE: 22038 Present Operation: Drlg

Drilling from 1748' - 1830'. Wireline Survey at 1781' - 1.75 degrees. Drilling from 1830' - 2115'. Wireline Survey at 2068' - 1.75 degrees. Drilling from 2115' - 2400' with 25k WOB and 60 RPM on rotary. (80 RPM on motor) Daily ROP - 28.3'/hr. / Cum ROP - 31.7'/hr.

10/14/2002 Depth 3,100
Progress 700
AFE: 22038 Present Operation: Drlg

Drilling from 2400' - 2421'. Wireline Survey at 2387' - 2 degrees. Drilling from 2421' - 2752'. Wireline Survey at 2705' - .5 degrees. Drilling from 2752' - 3100'. Called for fluid caliper at 3050'. Daily ROP - 31.1'/hr / Cum ROP - 31.5'/hr.

10/15/2002

Depth 3,193

Progress 93

AFE: 22038

Present Operation: MU BHA

Drlg f/3100' to 3193'; FIN fluid caliper & pump 80 bbls sweep around; TOH to 8" DC; RU laydown machine; LD 8" DCs, motor & RMR; RU casers & run FS, FJ, FC & 70 jts of 9.625" J-55 40 STC casing to 3190'; wash 3' to btm & CIRC; RU Hall & pump 20 bbls FW spacer, 1150 sx lead, 200 sx tail, & displace w/239 bbls FW, bumped plug & floats held, CIRC 82 sx of cmt to pit; ND BOP stack, PU & set slips w/120K, cut casing, NU wellhead & test; NU BOP stack & flowline; test BOP stack to 300 & 5000#, tested annular to 2500#, upper kelly cock would not test, will replace kelly cock.