

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

P.O. Box 1980
Hobbs, NM 88241

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. LC - 054668 |
| 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 | 3b. Phone No. (include area code) 972.401.3111 | 7. If Unit or CA/Agreement, Name and/or No. 8920003820 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FSL & 990 FWL Sec. 4 26S, 37E | | 8. Well Name and No. Rhodes Federa Unit No. 43 |
| | | 9. API Well No. 30-025-11949 |
| | | 10. Field and Pool, or Exploratory Area Rhodes Yates 7 Rivers Gas |
| | | 11. County or Parish, State Lea, 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 checked="" type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Add Perf's |
| | <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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. 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 recompleation 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.)

A CIBP was set at 3150' and well was temporarily abandoned in September, 1993.

Plan to re-complete well to Yates formation. Add perforations from 2680' - 2923' and acidize w/ 1000 gallons of 7.5% acid. Will frac all perforations 2680' - 2693'; 2740' - 2753'; 2760' - 2755'; 2782' - 2785'; 2789' - 2792'; 2805' - 2815'; 2820' - 2836'; 2846' - 2852'; 2865' - 2877'; and 2900' - 2923' with 150,000# of 20/40 and 12/20 sand. Frac job may be altered when job design is completed. Return well to production in the Yates Formation.

OIL CONSERVATION DIVISION
HARTMAN EXHIBIT NO. 12
CASE NOS. 12015 & 12017

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 February 16, 1998 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------------------|------------------------|
| Approved by <i>DAVID L. CLARK</i> | Title <i>MANAGER</i> | Date <i>2/16/98</i> |
| 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.

RESERVES AND ECONOMICS

AS OF APRIL 1, 1998

| -END- MO-YR | ---GROSS PRODUCTION--- | | | ----NET PRODUCTION---- | | | --PRICES-- | | -----OPERATIONS, M\$----- | | | CAPITAL COSTS, M\$ | CASH FLOW BTAX, M\$ | 10.00 PCT CUM. DISC BTAX, M\$ |
|--|------------------------|--------------|--|------------------------|--------------|--|-------------|-------------|---------------------------|------------------|----------------------|-----------------------|------------------------|-------------------------------------|
| | OIL, MBBL | GAS, MMCF | | OIL, MBBL | GAS, MMCF | | OIL \$/B | GAS \$/M | NET OPER REVENUES | SEV+ADV TAXES | NET OPER EXPENSES | | | |
| 12-98 | .000 | 37.825 | | .000 | 33.097 | | .00 | 2.15 | 71.159 | 5.835 | 4.500 | 99.550 | -38.726 | -40.849 |
| 12-99 | .000 | 24.644 | | .000 | 21.564 | | .00 | 2.15 | 46.363 | 3.802 | 6.000 | .000 | 36.561 | -8.382 |
| 12- 0 | .000 | 16.332 | | .000 | 14.291 | | .00 | 2.15 | 30.726 | 2.520 | 6.000 | .000 | 22.206 | 9.545 |
| 12- 1 | .000 | 13.979 | | .000 | 12.232 | | .00 | 2.15 | 26.299 | 2.157 | 6.000 | .000 | 18.142 | 22.859 |
| 12- 2 | .000 | 12.312 | | .000 | 10.773 | | .00 | 2.15 | 23.162 | 1.899 | 6.000 | .000 | 15.263 | 33.042 |
| 12- 3 | .000 | 10.999 | | .000 | 9.624 | | .00 | 2.15 | 20.692 | 1.697 | 6.000 | .000 | 12.995 | 40.924 |
| 12- 4 | .000 | 9.941 | | .000 | 8.698 | | .00 | 2.15 | 18.701 | 1.533 | 6.000 | .000 | 11.168 | 47.082 |
| 12- 5 | .000 | 9.068 | | .000 | 7.935 | | .00 | 2.15 | 17.060 | 1.399 | 6.000 | .000 | 9.661 | 51.925 |
| 12- 6 | .000 | 8.335 | | .000 | 7.293 | | .00 | 2.15 | 15.680 | 1.286 | 6.000 | .000 | 8.394 | 55.750 |
| 12- 7 | .000 | 7.713 | | .000 | 6.749 | | .00 | 2.15 | 14.510 | 1.190 | 6.000 | .000 | 7.320 | 58.782 |
| 12- 8 | .000 | 7.178 | | .000 | 6.281 | | .00 | 2.15 | 13.504 | 1.107 | 6.000 | .000 | 6.397 | 61.191 |
| 12- 9 | .000 | 6.711 | | .000 | 5.872 | | .00 | 2.15 | 12.625 | 1.035 | 6.000 | .000 | 5.590 | 63.105 |
| 12-10 | .000 | 6.301 | | .000 | 5.513 | | .00 | 2.15 | 11.853 | .972 | 6.000 | .000 | 4.881 | 64.624 |
| 12-11 | .000 | 5.939 | | .000 | 5.197 | | .00 | 2.15 | 11.174 | .916 | 6.000 | .000 | 4.258 | 65.829 |
| 12-12 | .000 | 5.617 | | .000 | 4.915 | | .00 | 2.15 | 10.567 | .866 | 6.000 | .000 | 3.701 | 66.781 |
| 12-13 | .000 | 5.326 | | .000 | 4.660 | | .00 | 2.15 | 10.019 | .822 | 6.000 | .000 | 3.197 | 67.529 |
| 12-14 | .000 | 5.066 | | .000 | 4.433 | | .00 | 2.15 | 9.531 | .782 | 6.000 | .000 | 2.749 | 68.113 |
| 12-15 | .000 | 4.829 | | .000 | 4.225 | | .00 | 2.15 | 9.084 | .745 | 6.000 | .000 | 2.339 | 68.565 |
| 12-16 | .000 | 4.613 | | .000 | 4.036 | | .00 | 2.15 | 8.677 | .712 | 6.000 | .000 | 1.965 | 68.910 |
| 12-17 | .000 | 4.416 | | .000 | 3.864 | | .00 | 2.15 | 8.308 | .681 | 6.000 | .000 | 1.627 | 69.170 |
| S TOT | .000 | 207.144 | | .000 | 181.252 | | .00 | 2.15 | 389.694 | 31.956 | 118.500 | 99.550 | 139.688 | 69.170 |
| REM. | .000 | 22.585 | | .000 | 19.763 | | .00 | 2.15 | 42.490 | 3.484 | 35.035 | .000 | 3.971 | 69.678 |
| TOTAL | .000 | 229.729 | | .000 | 201.015 | | .00 | 2.15 | 432.184 | 35.440 | 153.535 | 99.550 | 143.659 | 69.678 |
| CUM. | .000 | .000 | | | | | | | | | | | | |
| JLT. | .000 | 229.729 | | | | | | | | | | | | |
| -----PRESENT WORTH PROFILE----- | | | | | | | | | | | | | | |
| 3TAX RATE OF RETURN (PCT) 44.53 PROJECT LIFE (YEARS) 25.589 .0 143.659 30.0 17.022 | | | | | | | | | | | | | | |
| 3TAX PAYOUT YEARS 1.85 DISCOUNT RATE (PCT) 10.000 2.0 122.625 35.0 10.140 | | | | | | | | | | | | | | |
| 3TAX PAYOUT YEARS (DISC) 2.22 GROSS OIL WELLS .000 5.0 98.185 40.0 4.411 | | | | | | | | | | | | | | |
| 3TAX NET INCOME/INVEST 2.44 GROSS GAS WELLS 1.000 8.0 79.680 45.0 -.453 | | | | | | | | | | | | | | |
| 3TAX NET INCOME/INVEST (DISC) 1.70 GROSS WELLS 1.000 10.0 69.678 50.0 -4.640 | | | | | | | | | | | | | | |
| INITIAL W.I. FRACTION 1.000000 INITIAL NET OIL FRACTION .000000 12.0 61.092 60.0 -11.519 | | | | | | | | | | | | | | |
| FINAL W.I. FRACTION 1.000000 FINAL NET OIL FRACTION .000000 15.0 50.274 70.0 -16.967 | | | | | | | | | | | | | | |
| PRODUCTION START DATE 4- 1-98 INITIAL NET GAS FRACTION .875000 18.0 41.337 80.0 -21.415 | | | | | | | | | | | | | | |
| MONTHS IN FIRST LINE 9.00 FINAL NET GAS FRACTION .875000 20.0 36.199 90.0 -25.130 | | | | | | | | | | | | | | |
| 25.0 25.488 100.0 -28.300 | | | | | | | | | | | | | | |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

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

SUNDRY NOTICES AND REPORTS ON WELLS

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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)
2310' FSL & 99FWL Sec. 4-26S-37E

5. Lease Serial No.
LC-054668

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
8920003820

8. Well Name and No.
RHODES FEDERAL UNIT #43

9. API Well No.
30-025-11949

10. Field and Pool, or Exploratory Area
Rhodes-Yates-7 Rivers Gas

11. County or Parish, State
Lea 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 checked="" 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 checked="" 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 _____ |
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| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

3. 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.)

- 03/05/98 MIRU NDWH NUBOP. Tag CIBP @ 3150' KB.
- 03/06/98 MIRU pump truck, pumped 20 bbls 2% KCL wtr, POOH w/ tbg. Log from 3150' PBTD to 2150' Perf'd 2680' - 2923', 1 jspf (114 holes). PU & RIH w/ bailer to dump 2 sx cement on CIBP.
- 03/09/98 Acidize well w/ 2,200 gals 15% HCL.
- 03/10/98 CO2 Foam Frac well w/ 50Q CO2 foam & 77,200 lbs 16/30 Brady sand.
- 03/11/98 Set tbg @ 2915'. Well flowing on test.
- 03/12/98 SI WO pipeline connection.

ACCEPTED FOR RECORD
PETER W. CHESTER

JUL 30 1998

BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

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

Name (Printed/Typed)
Zeno Farris

Signature
Zeno Farris

Title
Manager Operations Administration

Date
July 14, 1998

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 _____ GRUY-0000741

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.

Gruy Petroleum Well History Report

WellNo 70228.0403.1
WellName Rhodes Federal Unit 4-3
Operated Yes
OpName Workover
AreaGroupName Yates / Seven Rivers

ReportDate ReportText

3/13/98

Placed on 30/64" choke: FTP 52#, FCP 52#, 184 MCFD. See "Production Watch Report" for future production.

FINAL REPORT

3/11/98

Present Operation - Flowing well on test.

PU & RIH w/ 6-1/4" bit, bit sub, on 2-3/8" tbg, tag @ 3123'. POH w/ tbg, lay down bit, RIH w/ 2-3/8" SN, on 2-3/8" tbg, to 2753'. RIH w/ swab, FFL @ 2700'. 3-run swab to SN, moved SN to 2915', ND BOP, NU WH, RIH w/ swab, FFL @ 2700', 2nd run f/ SN, 10# tbg, 100# csg, made 2 more runs @ SN, turn to frac tank, 10/64" choke, 10# on tbg, 100# on csg, returns of 5 bbls fluid. SDON.

3/10/98

Present Operation - CO2 foam frac.

Unable to pull well head, adapted master valve to well. NUWH to flowback. MIRU Halliburton to CO2 foam frac. Pumped as follows: (1) start 25,000 gals of 50 quality foam; (2) start 15,000 gals of 50 1-4 ppg sand; (3) start 10,000 gals of 50 quality 4 ppg sand; (4) start 4431 gals 50 quality foam flush; (5) Record pressure ISIP - 499#, 10 mins 496#, 77200lbs, 722 sacks, FV 747, CO2 vol 653 bbls, 113 ton down hole. RDMO Halliburton. Open @ 12:25pm 10/64" choke 500# flowed gas, 1:25pm 12/64" @ 450#, 2:25pm 14/64" @ 325 lbs, 16/64" @ 200 lbs, 3:55pm 18/64" @ 110#, 5:00pm @ 18/64" 10#, flowing gas, no fluid, left flowing to frac tank over night. SDON.

3/9/98

Present Operation - Acidize.

PU & RIH w/ RBP pkr, flow control valve, on 2-3/8" tbg. Pickle tbg @ 2930'. Test FCV, open @ 1106#, closed @ 551#. RIH w/ RBP below perms. Set pkr between 2900' - 2877', pumped acid @ 1052#, moved tools, set on each side of 2877' - 2865', @ 1050# moved tools to each side 2846' - 2852', @ 1010#, move tools to each side at 2805' - 2836', @ 1194# broke to 1053#, move tools to each side of 2782' - 2792' @ 2200#, broke to 1002#, moved tools to each side at 2760' - 2775', @ 1101#, move tool to each side 2740' - 2753', @ 2300#, broke back to 996#, moved tools to each side 2680' - 2693', @ 2683#, broke back to 1042#, pump off all sets @ 1BPM rate, moved RBP below perms, set pkr @ 2664', swab down in 3 runs, FFL 1400', 2nd 2200', 3rd - SN, 8 bbls fluid. Released pkr & RBP, POH & layed down tool. ND BOP, WH, NU w/ Guardian valve & equip. SDON.

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Submit 2 copies to Appropriate District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

GAS - OIL RATIO TEST

| Operator | | Pool | | County | | | | | | | | | |
|---|----------|------------------------------------|---|--------------------------|--------------|-------------------------------------|-------------|-------------------|----------------------|-------------------|--------------|-----------|---------------------------|
| Gruy Petroleum Management Co. | | Langlie Mattix; 7 RVRS -Q Grayburg | | Lea | | | | | | | | | |
| Address | | TYPE OF TEST - (X) | | Completion | | Special | | | | | | | |
| P. O. Box 140907, Irving, TX 75014-0907 | | <input type="checkbox"/> Scheduled | | <input type="checkbox"/> | | <input checked="" type="checkbox"/> | | | | | | | |
| LEASE NAME | WELL NO. | LOCATION | | | DATE OF TEST | CHOKE SIZE | TBQ. PRESS. | DAILY ALLOW. ABLE | LENGTH OF TEST HOURS | PROD. DURING TEST | | | GAS - OIL RATIO CU.FT/BBL |
| | | U | S | T | | | | | | R | WATER BBL.S. | GRAY. OIL | |
| Rhodes Federal Unit | 4-3 | L | 4 | 26S | 37E | 05/29/98 | F | 18 | 24 | 0 | N/A | 0 | 240 |

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

Susan Morse
Signature

Susan Morse, Energy Production Analyst
Printed name and title

July 24, 1998
Date

(972) 401 - 3111
Telephone No.

INSTRUCTIONS:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

5. NAME DESIGNATION AND SERIAL NO.

LC-054668

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8920003820

8. FARM OR LEASE NAME, WELL NO.

Rhodes Federal Unit # 43

9. API WELL NO.

30-025-11949

10. FIELD AND POOL, OR WILDCAT

Rhodes Yates- 7 Rivers Gas

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 4 26S 37E

12. COUNTY OR PARISH

Lea

13. STATE

NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER REPAIR PLUG BACK DIFF. REPAIR Other _____

2. NAME OF OPERATOR
Gruy Petroleum Management Co.

3. ADDRESS AND TELEPHONE NO.
P O Box 140907 Irving Tx. 75014-0907

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2310' FSL & 990' FWL

At top prod. interval reported below

At total depth

14. PERMIT NO. _____ DATE ISSUED _____

15. DATE SPUDDED 3-5-98 16. DATE T.D. REACHED _____ 17. DATE COMPL. (Ready to prod.) 3-11-98 18. ELEVATIONS (DF, RKB, RT, OR, ETC.)* 2984 19. ELEV. CASINGHEAD _____

20. TOTAL DEPTH, MD & TVD 3150' 21. PLUG, BACK T.D., MD & TVD _____ 22. IF MULTIPLE COMPL., HOW MANY? _____ 23. INTERVALS DRILLED BY _____ ROTARY TOOLS _____ CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
Yates - 2680' - 2923'

25. WAS DIRECTIONAL SURVEY MADE
N/A

26. TYPE ELECTRIC AND OTHER LOGS RUN
N/A, used old log

27. WAS WELL COILED

28. CASING RECORD (Report all strings set in well)

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---------------------------------|---------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | BACKS CEMENT* | SCREEN (MD) |
|------|----------|-------------|---------------|-------------|
| | | | | |
| | | | | |
| | | | | |

30. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|--------|----------------|-----------------|
| 2 3/8" | 2915' | |
| | | |
| | | |

31. PERFORATION RECORD (Interval, size and number)
2680' - 2923' 114 holes 1spf

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| 2680'-2923' | 2,200 gals 15% HCL |
| 2680'-2923' | 50,000 gals 50/50 CO2, 77,200 # |
| | 16/30 Brady sand |

33. PRODUCTION

| DATE FIRST PRODUCTION | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) | WELL STATUS (Producing or Shut-in) |
|-----------------------|--|------------------------------------|
| | Flowing | |

| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL—BSL. | GAS—MCF. | WATER—BSL. | GAS-OIL RATIO |
|--------------|--------------|------------|-------------------------|----------|----------|------------|---------------|
| 8-17-98 | 24 hours | 48/64" | | -0- | 227 | -0- | |

| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL—BSL. | GAS—MCF. | WATER—BSL. | OIL GRAVITY-API (CORR.) |
|---------------------|-----------------|-------------------------|----------|----------|------------|-------------------------|
| 21 | 20 | | -0- | 504 | -0- | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Sold

TEST WITNESSED BY _____

35. LIST OF ATTACHMENTS
C-122 Back Pressure test

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Lend Farris TITLE Manager, Operations Admin. DATE 08/25/98

*(See Instructions and Spaces for Additional Data on Reverse Side)



Magnum Hunter Production, Inc.

600 East Las Colinas Blvd., Suite 1200, Irving, TX 75039 (972) 401-3111, Fax (972) 401-1834
Mailing Address: P.O. Box 140907 Irving, TX 75014-0907

August 25, 1998

US Department of the Interior
Bureau of Land Management
2909 W. Second Street
Roswell, NM 88201

RE: Lease No. LC-054668 for Well No 415 – Rhodes Federal Unit,
Location 660/South and 660/West.

Dear BLM,

Enclosed please find the re-completion Report and Log Form 3160-4 original plus 6 copies.
Also included is the form C-122 original and 6 copies and the Inclination Report.

Should you have any questions regarding this issue, please contact me at (972) 401-3111.

Sincerely,

A handwritten signature in cursive script that reads "Susan Morse".

Susan Morse
Energy Production Analyst

Attachments

GRUY-0000707



United States Department of the Interior

Bureau Of Land Management
Roswell District Office
2999 W. Second St.
Roswell, N.M. 88201

Date 8/21/98

Lease No. LC-054668

Well No. 43-Rhodes Fed. Ut.

Location 2310's 990'W

Sec. 4 T. 26S, R. 37E

Grady Petroleum Mang. Co.
P.O. Box 140907
Irving, TX 75014-0907

Gentlemen:

The reports and Logs checked below are required by the Oil and Gas Operating Regulations 43 CFR 3160, and have not been received by the subject well:

- Notice of Intention to Form 3160-5 (Original & 6 copies)
- Subsequent Report of Form 3160-5 (Original & 6 copies)
- Subsequent Report of Form 3160-5 (Original & 6 copies)
- Completion Report and Log Form 3160-4 (Original & 6 copies)
- Re-completion Report and Log Form 3160-4 (Original & 6 copies) *front & back copies enclosed.*
- Geologic Logs (30 CFR 221.50 requires that two (2) copies of all electric logs, deviation, temperature, drilling time, case description, sample description, or other special logs be submitted).
- Other
- Comments: Needs to be submitted since well now producing from different formation.

You are requested to submit these reports to this office within 15 days.

Sincerely yours,
Walter W. Chester
(505) 677 0240