

**N.M. Oil Cons. DIV-Dist. 2**  
**1301 W. Grand Avenue**  
**Artesia, NM 88210**

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

**RECEIVED**

2. Name of Operator  
Gruy Petroleum Management Co.

AUG 10 2004

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)

1565' FSL & 1400' FWL Sec 13-25S-26E

5. Lease Serial No.

NM 41645

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Federal 13 Com # 2

9. API Well No.

30-015-33344

10. Field and Pool, or Exploratory Area

White City;Penn (Gas)

11. County or Parish, State

Eddy, 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 Set surface &
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	intermediate casing
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

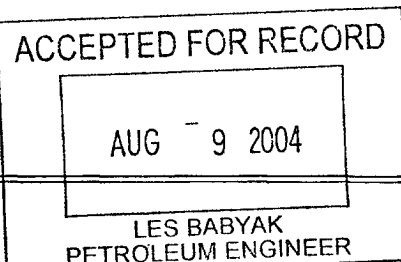
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and 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 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.)

07-25-04 Spud 17-1/2" hole at 6AM CDT.

07-26-04 Ran 13-3/8" 54.5# J-55 ST&C casing to 214.' Cemented with 250 sx Premium Plus + 2% CaCl. Plugged down and bumped with 280#. Circulated 68 sx to pit. WOC 28.5 hours.

07-30-04 Ran 10-3/4" 45.5# J-55 BT&C casing to 2030.' Cemented lead 600 sx Interfill "C" + 1/4# FLocel per sx, tail 200 sx Premium Plus + 2% CaCl per sx. Plugged down and bumped with 700#. Circulated 127 sx to surface. WOC 17.25 hours.

Please see attached drilling report.



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

Natalie Krueger

Title  
Production Assistant

Date  
August 4, 2004

**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

July 25, 2004 Thru July 31, 2004

### OPERATED

#### CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO

**77303 FEDERAL COM 13 #2**

EDDY, NM

13-T25S-R26E, 1565' FSL, 1400' FWL

W.I. Pct BCP 100.00 %

W.I. Pct ACP 100.00 %

Morrow / 12,000'

07/25/2004

Depth 58

Progress 58

AFE: 24108

Present Operation: Preparing to spud well

Location staked by John West Surveying Co. on 1/23/2004 - 1,565' FSL & 1,400' FWL of Sec. 13 T-25-S R-26-E in Eddy County, New Mexico. B&H Construction built location, road & pits on 6/11/04 to 6/21/04. Abbott Brothers set 20" conductor pipe at 40' FGL & cemented with 3 3/4 yds. ready mix cement - dug rat & mouse holes on 7/14 to 7/15/2004. B&L Equipment plastic lined cuttings pit on 7/14/04 - Great Basin Trucking put water in the reserve pit to hold down the plastic on 7/14/04. S.B. Weed Control fenced location on 7/14 & 7/15/04. MIRU Patterson-UTI Rig # 80 on 7/20/04 - sent derrick into Road Runner Construction Yard in Carlsbad, NM for repairs on 7/20/04. Cleaned, painted & made repairs on Rig # 80 from 7/21/04 to 7/23/04. MIRU derrick on 7/24/04 & finished RU rig - mixed spud mud & welded flow nipple onto conductor pipe - preparing to spud well. Note: Had a diesel spill of 25 Bbls. or more on the morning of 7/23/04 when a fuel line going to the light plant ruptured - discovered leak at 3:00 AM - called for vacuum truck - called Tom Strother - called Don Cleghorn with the BLM - called Van Barton with the NMOCD - Gerry Guye with the NMOCD inspected the spill & said to file Form C-141, pick up the contaminated dirt & put in flare pit wall - dig up the contaminated soil on the location pad after drilling is completed & dispose of or reclaim the soil.

07/26/2004

Depth 214

Progress 156

AFE: 24108

Present Operation: Cutting off conductor pipe

Drill from 58' to 163' - (Spud 17 1/2" hole at 6:00 AM (CDT) 7/25/2004) WLS @ 113' = 1/2o Drill from 163' to 214' TD - (Reached TD of 17 1/2" hole at 12:15 PM (CDT) 7/25/2004) Pump NP-110 sweep & circulate - heavy rains & high water - having problems getting into location Trip out to run 13 3/8" surface casing - LD BHR, shock sub & bit RU casing crew & ran 13 3/8" casing (See Casing Detail) RU Halliburton - circulated to clear 13 3/8" casing Hall. cemented 13 3/8" csg. with 250 sx Premium Plus Cement + 2% CaCl - plug down & bumped with 280# at 5:40 PM (CDT) 7/25/04 - circulated 68 sx cement to pit - Don Cleghorn w/ the BLM was notified, but could not get to location due to high water at low water crossing - RD Halliburton WOC - welder could not get into location - 2 different routes - sent him back to Carlsbad, NM & told him to try to get into location in the morning to cut off & weld on braden head. Welder cut off 20" conductor pipe.

07/27/2004

Depth 420

Progress 206

AFE: 24108

Present Operation: Drilling

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 550# - OK NU BOP & choke manifold Test BOP blind rams & choke manifold to 1,000# with rig pump - OK PU & TIH with Bit # 2, motor, BHA & 8" DC's - tagged cement at 170' Test BOP Hydril to 1,000# with rig pump - OK Drill cement, wiper plug, float collar, cement & shoe from 170' to 212' Drill from 212' to 420' (83 RPM motor - 40 RPM rotary - 20K bit wt.) - back on formation at 9:30 PM (CDT) 7/26/2004 Note: Don Early with the BLM was notified of BOP tests, but did not witness the tests - still raining & roads are bad - no major problems getting to location at the present time.

07/28/2004                      Depth                      1,100  
Progress                      680  
AFE:                      24108                      Present Operation: Drilling

Drill from 420' to 434' (83 RPM motor - 40 RPM rotary - 20K bit wt.) WLS @ 357' = Miss Run Drill  
from 434' to 494' (83 RPM motor - 40 RPM rotary - 20K bit wt.) WLS @ 417' = 1 1/4o Service rig  
Drill from 494' to 677' (83 RPM motor - 40 RPM rotary - 35K bit wt.) WLS @ 600' = 3/4o Drill from  
677' to 961' (83 RPM motor - 40 RPM rotary - 35K bit wt.) WLS @ 884' = 3/4o Drill from 961' to  
1,100' (83 RPM motor - 40 RPM rotary - 35K bit wt.)

07/29/2004                      Depth                      1,807  
Progress                      707  
AFE:                      24108                      Present Operation: Drilling

Drill from 1,100' to 1,120' (83 RPM motor - 40 RPM rotary - 10K to 35K bit wt.) WLS @ 1,043' = 3/4o  
Drill from 1,120' to 1,342' (83 RPM motor - 40 RPM rotary - 10K to 35K bit wt.) Service rig WLS @  
1,265' = 1/2o Drill from 1,342' to 1,660' (83 RPM motor - 40 RPM rotary - 10K to 35K bit wt.) WLS @  
1,583' = 2 1/2o Drill from 1,660' to 1,788' (83 RPM motor - 40 RPM rotary - 10K to 20K bit wt.) WLS @  
1,711' = 2 1/2o Drill from 1,788' to 1,807' (83 RPM motor - 40 RPM rotary - 10K to 20K bit wt.)

07/30/2004                      Depth                      2,030  
Progress                      223  
AFE:                      24108                      Present Operation: Cutting off 10 3/4" casing

Drill from 1,807' to 1,915' (83 RPM motor - 40 RPM rotary - 20K to 25K bit wt.) Service rig WLS @  
1,838' = 1o Drill from 1,915' to 2,030' TD (83 RPM motor - 40 RPM rotary - 25K bit wt.) - reached TD of 12 1/4"  
hole at 5:15 PM (CDT) 7/29/2004 - ran Davis Fluid Caliper - 1,202 ft.3 to circ. cement to surface Pump viscous  
sweep & circulate Drop Totco @ 2,030' = 1o & trip out - RU LD machine & POOH LD DC's, IBS, BHR, shock  
sub, motor & Bit # 2 RU casing crew & ran 10 3/4" casing (See Casing Detail) - RD casing crew & lay down  
machine RU Halliburton & circulated to clear casing Hall. cemented 10 3/4" csg. (Lead) 600 sx Interfill "C" + 1/4#  
Flocele per sx, followed by (Tail) 200 sx Premium Plus Cement + 2% CaCl per sx - plug down & bumped with  
700# at 3:57 AM (CDT) 7/30/04 - circulated 127 sx cement to surface - Don Early with the BLM witnessed job  
ND & PU BOP - set 10 3/4" casing slips in 90,000# - cutting off 10 3/4" casing

07/31/2004                      Depth                      2,285  
Progress                      255  
AFE:                      24108                      Present Operation: Drlg

Cut off 10 3/4" casing - install a 13 5/8" 3,000# X 11" 5,000# "B" section well head spool & test to  
1,500# - OK - NU BOP & choke manifold - test BOP, choke manifold & associated equipment with Man  
Welding Services to 5,000# - OK - Don Early w/ the BLM was notified & did not witness the tests Pick up  
B.H.A. & 30 -6" drill collars Trip in the hole & lay down 12 jts of Drill pipe Drill  
cement,Float,Plug,& 15' of cement (Tag cement @ 1981' ) Test casing to 2000 psi Good test Drill  
cement & 15' of formation Run P.I.T. @ 225 psi = 10.5 EMW Drill F/ 2045' to 2285' (Hit air  
pocket @ 2240' )