Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

5

Form C-103
Revised 1-1-89

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

OIL CONSERVATION DIVISION

310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO.
30-015-32549

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
White Baby Com

1. Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER

2. Name of Operator
Gruy Petroleum Management Co.

8. Well No.
4

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

9. Pool name or Wildcat
White City; Penn (Gas)

4. Well Location
Unit Letter D : 990' Feet From The North Line and 990' Feet From The West Line

Section 16 Township 24S Range 26E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3439' GR

MAR 2003
RECEIVED
OCD - ARTESIA

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☒		
OTHER:	☐			OTHER:			☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

01-22-03 Spud a 17 1/2" hole at 6AM CST. Reached TD of 17 1/2" hole at 9:45pm CST-445'. Ran 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 & bumped with 680# and circulated 99 sx to surface. WOC 16 hours.

01-31-03 Reached TO of 12 1/4" hole at 12:15am. Ran 75 jts of 9 5/8" casing. Cemented with lead of 710 sx Interfill "C" + 1/4# Flocele per sx. Tailed with 200 sx Premium Plus cement + 1%CaCl = 1/4# Flocele per sx. Plugged down & bumped with 1300#. Circulated 24 sx cement to surface. WOC 16 hours.

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

SIGNATURE Natalie Krueger TITLE Production Assistant DATE 03-21-03

TYPE OR PRINT NAME Natalie Krueger TELEPHONE NO. 469-420-2723

(This space for State Use)

APPROVED BY Accepted For record TITLE DATE MAR 28 2003

CONDITIONS OF APPROVAL, IF ANY:

Gruy Petroleum Management Co.

Magnum Hunter Production, Inc.

Well History

January 22, 2003 Thru February 1, 2003

OPERATED

CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO — W.I. Pct BCP 100.00 %
76927 WHITE BABY COM 4 — W.I. Pct ACP 100.00 %
EDDY, NM — Sec 16, T24S, R26E — Morrow / 13,500'

01/22/2003 — Depth 61 — Progress 0
AFE: 23022 — Present Operation: Preparing to Spud

Location staked by John West Surveying on 10/31/2002 - 990' FNL & 990' FWL of Sec. 16 T-24-S R-26-E in Eddy County, New Mexico. B&H Construction built location, pits & road from 1/8/2003 to 1/13/2003. Abbott Brothers set 20" conductor pipe at 38' FGL & cemented with 8 yds. ready mix - dug rat & mouse holes + 2 sump holes on 1/11/2003 to 1/14/2003. Akome, Inc. plastic lined & fenced reserve pit on1/14/2003 - Great Basin put water in reserve pit to hold down the plastic on 1/14/03. MIRU Patterson-UTI Rig # 75 on 1/21/2003. Welded flow nipple onto conductor pipe - mixed spud mud - preparing to spud well.

01/23/2003 — Depth 445 — Progress 384
AFE: 23022 — Present Operation: WOC

Drill from 61' to 278' (Spud a 17 1/2" hole at 6:00 AM (CST) 1/22/2003) - lost circulation at 80' KB - mixed LCM & regained returns Service rig WLS @ 222' = 3/4o Drill from 278' to 445' TD (Reached TD of 17 1/2" hole at 9:45 PM (CST) 1/22/2003) Circulate & pump sweep Drop Totco @ 445' = 1 1/2o & POOH - LD BHR, shock sub & bit Ran 13 3/8" casing (See Casing Detail) 449.39' total pipe - set at 445' KB 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 680# at 3:17 AM (CST) 1/23/03 - circulated 99 sx cement to surface - NMOCD was notified - didn't witnessed job. WOC Note: Water bill is going to be very high on this well - sharp rocks in the reserve pit keep punching holes in the plastic liner - plastic has been repaired 3 times - may have to reline the brine pit.

01/24/2003 — Depth 560 — Progress 115
AFE: 23022 — Present Operation: Drilling

WOC & 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 500# - OK NU BOP & choke manifold Test BOP blind rams, choke manifold, well head & casing to 500# with rig pump - OK PU & TIH with Bit # 2, BHA & 8" DC's - tagged up on cement at 390' Drill cement, plug, float collar & cement from 390' to 412' Unplug flow line of rubber & wood from cement wiper plug Test BOP pipe rams & hydril to 500# with rig pump - OK Drill cement, plug, float collar, cement & shoe from 412' to 445' Rig repair on Pump # 2 pop off Drill from 445' to 560' (87 RPM motor & 50 RPM rotary with 20K to 25K bit wt.) - back on formation at 1:30 AM (CST) 1/24/2003

01/25/2003 — Depth 1,198 — Progress 638
AFE: 23022 — Present Operation: Drlg

Drill from 560' to 588' (87 RPM motor & 50 RPM rotary with 20K to 25K bit wt.) Service rig Drill from 588' to 872' (87 RPM motor & 50 RPM rotary with 25K to 30K bit wt.) WLS @ 797' = 2o Drill from 872' to 1,156' (87 RPM motor & 50 RPM rotary with 10K to 20K bit wt.) WLS @ 1,081' = 3/4o Drill from 1,156' to 1,198' (87 RPM motor & 50 RPM rotary with 10K to 20K bit wt.)

01/26/2003 — Depth 1,617 — Progress 419

AFE: 23022 Present Operation: Drlg

Drill from 1,198' to 1,346' (87 RPM motor & 50 RPM rotary with 10K to 25K bit wt.) Service rig Drill from 1,346' to 1,536' (87 RPM motor & 50 RPM rotary with 20K to 25K bit wt.) WLS @ 1,461' = 4o (Ran survey twice - both with the same results) Drill from 1,536' to 1,617' (88 RPM motor & 60 RPM rotary with 10K to 12K bit wt.)

01/27/2003
Depth 1,711
Progress 94
AFE: 23022 Present Operation: Drlg

Drill from 1,617' to 1,630' (88 RPM motor & 60 RPM rotary with 10K to 12K bit wt.) Service rig WLS @ 1,556' = 4 1/2o POOH - drop Totco @ 1,207' = 1 1/4o - LD bit - 2 broken teeth - bearings OK - motor should allow fluid to flow through bit when turned to the right - fluid came out around motor housing & none through bit - Bit # 2 12 1/4" Security XL43N Serial # 10390188 3-14's in @ 445' out @ 1,630' cut 1,185' in 53 1/2 hrs. condition T2 B3 in gauge Wait on delivery of new bit PU new Bit # 3 & new motor - change BHA - TIH (took WLS @ 1,302' = 2 1/2o & 1,397' = 3 1/2o) Drill from 1,630' to 1,662' (88 RPM motor & 36 RPM rotary with 10K to 12K bit wt.) WLS @ 1,619' = 4o Drill from 1,662' to 1,694' (61 RPM motor & 45 RPM rotary with 12K to 14K bit wt.) WLS @ 1,650' = 4o Drill from
1,694' to 1,711' (61 RPM motor & 45 RPM rotary with 12K to 14K bit wt.) Note: Had to go to 1 pump due to a plugged bit jet or something is in motor since 1,670' Note: motor that was LD had a lot of vibration to surface while drilling

01/28/2003
Depth 1,905
Progress 194
AFE: 23022 Present Operation: Drlg

Drill from 1,711' to 1,725' (61 RPM motor & 45 RPM rotary with 12K to 14K bit wt.) Service rig WLS @ 1,683' = 3 1/2o Drill from 1,725' to 1,757' (77 RPM motor & 45 RPM rotary with 14K to 16K bit wt.) WLS @ 1,714' = 3o Drill from 1,757' to 1,789' (80 RPM motor & 45 RPM rotary with 17K to 19K bit wt.) WLS @ 1,745' = 2 3/4o Drill from 1,789' to 1,820' (80 RPM motor & 45 RPM rotary with 16K to 18K bit wt.) WLS @ 1,777' = 2 3/4o Drill from 1,820' to 1,852' (82 RPM motor & 45 RPM rotary with 15K bit wt.) WLS @ 1,808' = 2 1/2o Drill from 1,852' to 1,883' (81 RPM motor & 45 RPM rotary with 15K bit wt.) WLS @ 1,840' = 2 1/4o Drill from 1,883' to 1,905' (81 RPM motor & 45 RPM rotary with 12K to 15K bit wt.)

01/29/2003
Depth 2,115
Progress 210
AFE: 23022 Present Operation: Drlg

Drill from 1,905' to 1,947' (81 RPM motor & 45 RPM rotary with 12K to 15K bit wt.) WLS @ 1,903' = 1 1/2o Service rig POOH - change BHA around - LD motor & bit - 1 jet was plugged with a 1/4" dia. X 3/4" long Allen Head bolt - unplugged & checked bit - buttons, bearings & gauge was OK - PU new motor & TIH Wash & ream 75' to bottom Drill from 1,947' to 2,106' (88 RPM motor & 50 RPM rotary with 20K to 25K bit wt.) WLS @ 2,031' = 1o Drill from 2,106' to 2,115' (88 RPM motor & 50 RPM rotary with 30K to 35K bit wt.) Note: I have been trying to get EPOCH to get their equipment rigged up since 1/24/03 - to this day on 1/28/03 - equipment not working - told them to rig down & take it to the house - OK by H.C. Lee

01/30/2003
Depth 2,655
Progress 540
AFE: 23022 Present Operation: Drlg

Drill from 2,115' to 2,296' (88 RPM motor & 50 RPM rotary with 30K to 35K bit wt.) Service rig Drill from 2,296' to 2,391' (88 RPM motor & 50 RPM rotary with 30K to 45K bit wt.) WLS @ 2,316' = 1o Drill from 2,391' to 2,655' (88 RPM motor & 50 RPM rotary with 50K bit wt.)

01/31/2003
Depth 3,209
Progress 554
AFE: 23022 Present Operation: Running 9-5/8" Casing

Drill from 2,655' to 2,801' (88 RPM motor & 50 RPM rotary with 50K bit wt.) Service rig WLS @ 2,726' = 1/4o Drill from 2,801' to 3,209' TD (88 RPM motor & 50 RPM rotary with 50K to 55K bit wt.) - reached TD of 12 1/4" hole at 12:15 AM 1/31/2003 - ran Davis Fluid Caliper from 3,168' to 3,180' - 1,747 ft.3 hole volume with 9 5/8" casing at 3,209' Pump 50 bbl. viscous sweep & circulate Drop Totco @ 3,209' = 1/4o & POOH standing back 4 1/2" DP RU laydown machine & POOH

LD 8" DC's, IBS, BHR & bit RU casing crew & running 9 5/8" casing

02/01/2003
AFE: 23022

Depth 3,315
Progress 106
Present Operation: Drlg

Ran 75 jts. 9 5/8" 40# J-55 8rd LT&C new csg. (See Casing Detail) (3,214.63') - set at 3,209' KB
RU Halliburton & circulated to clear casing Halliburton cemented 9 5/8" casing (Lead) 710 sx Interfill "C" + 1/4# Flocele per sx, followed by (Tail) 200 sx Premium Plus Cement + 1% CaCl + 1/4# Flocele per sx - plug down & bumped with 1,300# at 11:45 AM (CST) 1/31/03 - circulated 24 sx cement - NMOCD was notified - didn't witness job ND & PU BOP
- set 9 5/8" casing slips in 110,000# - cut off 9 5/8" casing - installed a 13 5/8" 3M X 11" 5M "B" Section Spool & tested same to 1,500# - OK - NU BOP's & choke manifold - test BOP's, choke manifold & associated equipment to 5,000# - OK PU & TIH with Bit # 4, Dog Sub, Mud Motor, BHR, IBS, DC's & 4 1/2" DP - tagged up at 3,145' Test 9 5/8" casing, well head & BOP to 2,200# - OK - drill cement, plug, float collar, cement & shoe from 3,145' to 3,209' Drill from 3,209' to 3,219' (136 RPM motor & 40 RPM rotary with 20K bit wt.) back on formation at 2:45 AM (CST) 2/1/2003 Test formation at 3,219' to 10.5 #/gal. mud wt. equivalent with 8.4# /gal. mud in well with 354# - OK Drill from 3,219' to 3,315' (136 RPM motor & 40 RPM rotary with 20K to 25K bit wt.)