Form 3160-5
(November 1994)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCT 30 2003
OCD-ARTESIA

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

5. Lease Serial No.
NMNM 92160

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Chosa Draw 27 Fed Com No. 1

2. Name of Operator
Gruy Petroleum Management Co.

9. API Well No.
30-015-32918

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

3b. Phone No. *(include area code)*
972-401-3111

10. Field and Pool, or Exploratory Area
White City; (Undesignated)

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SHL 330' FNL & 1980' FEL Sec. 27 T25S - R26E
BHL 1876' FNL & 1594' FEL Sec. 27 T25S - R26E

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Set production casing
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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.)

9-20-03 Ran 7" 26# P-110 LT&C casing to 10790.

9-21-03 Cemented with 400 sx Interfill H + 5# Gilsonite + 1/4# FC.
Tailed with 150 sx Super H + 0.5% LAP 1 + 0.4% CF3-3 + 2.5# Salt + 5# Gilsonite + 1/4# FC. No returns. Slow pump 60 bbls 12.5# mud. No returns. Pump 200 sx Interfill H + 1/4# FC at wt. of 11.7.# Tailed with 200 sx Super H + 0.5% LAP-1 + 0.4% CFR-3 + 2.5# Salt + 5# Gilsonite + 1/4# FC at wt of 13# with no returns. WOC 25 hrs. TOC 5434'

10-4-03 Ran 4-1/2" liner with 57 B&L equipment to 12299'

10-5-03 Set bottom of liner at 12299' and top of PBR at 10491.' Cemented 4-1/2" liner with 160 sx Super "H" cement + 1# Salt + 0.5& Halad-344 + 0.4% CFR-3 + 0.3% HR-4 + 5# Gilsonite + 1/4# Flocele per sx. Circulated 43 sx off top of liner.

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

Title
Production Assistant

Signature
Natalie Krueger

Date
October 21, 2003

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

August 29, 2003 Thru October 6, 2003

OPERATED

CARLSBAD SOUTH

GRUY PETROLEUM MANAGEMENT CO — W.I. Pct BCP 100.00 %

77128 CHOSA DRAW 27 FEDERAL COM 1 — W.I. Pct ACP 100.00 %

EDDY, NM — 1650'FNL & 1650'FEL Sec 27, T25S, R26 — Morrow / 12,000'

08/29/2003 — Depth 4,724 — Progress 778

AFE: 23361 — Present Operation: Drlg

Drill from 3,946' to 4,145' (156 RPM motor - 40 RPM rotary - 30K to 35K bit wt.) Service rig WLS @ 4,071' = 3/4o Drill from 4,145' to 4,403' (156 RPM motor - 40 RPM rotary - 30K to 35K bit wt.) BOP drill - test mud / gas separator - pump through choke manifold - OK Drill from 4,403' to 4,646' (156 RPM motor - 40 RPM rotary - 30K to 35K bit wt.) WLS @ 4,552' = 2o Drill from 4,646' to 4,724' (158 RPM motor - 40 RPM rotary - 25K bit wt.) BGG = 28 units - max. gas = 39 units - shows: 4,245' to 4,275' - 100% sand lt yel. - blue flu - tr dry cut

08/30/2003 — Depth 5,235 — Progress 511

AFE: 23361 — Present Operation: Drlg

Drill from 4,724' to 4,752' (156 RPM motor - 40 RPM rotary - 25K bit wt.) WLS @ 4,710' = 1 1/2o Drill from 4,752' to 4,847' (156 RPM motor - 40 RPM rotary - 30K to 35K bit wt.) Service rig Rig repair on water line to brake drum Drill from 4,847' to 5,058' (156 RPM motor - 40 RPM rotary - 33K to 35K bit wt.) WLS @ 4,994' = 3/4o Drill from 5,058' to 5,235' (156 RPM motor - 40 RPM rotary - 40K bit wt.) BGG = 40 units - show: 4,910' to 4,940' - sandstone - lt. blue yel. flu. tr. dry cut

08/31/2003 — Depth 6,010 — Progress 775

AFE: 23361 — Present Operation: Drlg

Drill from 5,235' to 5,448' (156 RPM motor - 40 RPM rotary - 40K bit wt.) Service rig Drill from 5,448' to 5,543' (156 RPM motor - 40 RPM rotary - 40K bit wt.) WLS @ 5,469' = 1/4o Drill from 5,543' to 6,010' (156 RPM motor - 40 RPM rotary - 45K bit wt.) BGG = 25 units - max. gas = 40 units - no shows

09/01/2003 — Depth 6,545 — Progress 535

AFE: 23361 — Present Operation: Drlg

Drill from 6,010' to 6,018' (156 RPM motor - 40 RPM rotary - 45K bit wt.) WLS @ 5,944' = 1 3/4o Drill from 6,018' to 6,206' (156 RPM motor - 40 RPM rotary - 40K bit wt.) Service rig WLS @ 6,164' = 2o Drill from 6,206' to 6,460' (156 RPM motor - 40 RPM rotary - 34K bit wt.) WLS @ 6,418' = 1 1/4o Drill from 6,460' to 6,545' (156 RPM motor - 40 RPM rotary - 40K to 45K bit wt.) BGG = 28 units - no shows

09/02/2003 — Depth 7,070 — Progress 525

AFE: 23361 — Present Operation: Drlg

Drill from 6,545' to 6,587' [6,619' SLM Depth] (156 RPM motor - 40 RPM rotary - 45K bit wt.) Drop Totco @ 6,545' = 1o & trip out for bit - checked IBS & BHR for gauge - OK - LD motor & Bit # 3 HTC HR-S38C 3-14's serial # 6017315 in @ 3,200' out @ 6,619' cut 3,419' in 109 1/4 hrs. condition = T6 B7 3/16" out of gauge - DP count was 1 jt. off from what was shown on the board Service rig - function test BOP's TIH with Bit # 4, new motor, BHA & DC's - test motor - OK TIH (SLM) with 59 stands & a double of 4 1/2" DP - SLM showed bit trip depth of 6,619' Wash & ream 110' of out of gauge hole from 6,509' to 6,619' Drill from 6,619' to 7,070' (156 RPM motor - 40 RPM rotary - 33K to 35K bit wt.) BGG = 38 units - no shows

09/03/2003 Depth 7,729
Progress 659
AFE: 23361 Present Operation: Drlg

Drill from 7,070' to 7,094' (156 RPM motor - 40 RPM rotary - 38K to 40K bit wt.) Service rig WLS @ 7,020' = 1 1/4o Drill from 7,094' to 7,569' (156 RPM motor - 40 RPM rotary - 38K to 40K bit wt.) WLS @ 7,495' = 1 3/4o Drill from 7,569' to 7,729' (156 RPM motor - 40 RPM rotary - 38K to 40K bit wt.)

09/04/2003 Depth 7,947
Progress 218
AFE: 23361 Present Operation: TIH with Directional Tools

Drill from 7,729' to 7,792' (156 RPM motor - 40 RPM rotary - 38K to 40K bit wt.) Service rig Drill from 7,792' to 7,947' Kick Off Point (156 RPM motor - 40 RPM rotary - 38K to 40K bit wt.) Circulate & RU Gyrodata Wire Line Truck Ran gyro survey from surface to 7,900' - final station closure: distance: 79.21' Az.: 169.44o - RD Gyrodata LD 2 jts. DP & trip out of hole Cut drilling line Continue trip out of hole - LD IBS, BHR, Motor & Bit # 4 8 3/4" HTC HR-S44C 3-15's serial # 5037718 in @ 6,619' out @ 7,947' cut 1,328' in 44 1/2 hrs. Condition = T2 B3 in gauge PU & TIH with Bit # 5 & directional tool BHA - test motor @ 350 gpm with 950# pump pressure - OK TIH with DC's & DP BGG = 45 units - max. gas = 95 units - no shows

09/05/2003 Depth 8,453
Progress 506
AFE: 23361 Present Operation: Directional Drilling

TIH with directional tools Service rig Wash 50' to bottom - no fill Drill from 7,947' to 8,100' (146 RPM motor - 50 RPM rotary [rotating] - 30K sliding & 40K rotating - 45' sliding & 108' rotating) 5 MWD surveys on tower (See Attached MWD Surveys) Drill from 8,100' to 8,270' (146 RPM motor - 50 RPM rotary [rotating] - 30K sliding & 40K rotating - 51' sliding & 119' rotating) 5 MWD surveys on tower (See Attached MWD Surveys) Drill from 8,270' to 8,453' (146 RPM motor - 50 RPM rotary [rotating] - 30K sliding & 40K rotating - 12' sliding & 171' rotating) 3 MWD surveys on tower (See Attached MWD Surveys) BGG = 50 units - max. gas & conn. gas = 130 units - no shows

09/06/2003 Depth 9,047
Progress 594
AFE: 23361 Present Operation: Directional Drilling

Drill from 8,453' to 8,688' (146 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 42K rotating - 14' sliding & 221' rotating) 4 MWD surveys on tower (See Attached MWD Surveys) Service rig Drill from 8,688' to 8,890' (146 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 42K rotating - 45' sliding & 157' rotating) 3 MWD surveys on tower (See Attached MWD Surveys) Drill from 8,890' to 9,047' (146 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 42K rotating - 84' sliding & 73' rotating) 5 MWD surveys on tower (See Attached MWD Surveys) BGG = 45 units - max. gas = 185 units - conn. gas = 110 units - no shows Est. Top of Wolfcamp = 8,410' MD

09/07/2003 Depth 9,574
Progress 527
AFE: 23361 Present Operation: Directional Drilling

Drill from 9,047' to 9,222' (139 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 45K rotating - 138' sliding & 37' rotating) 6 MWD surveys on tower (See Attached MWD Surveys) Service rig Drill

from 9,222' to 9,403' (139 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 45K rotating - 100' sliding & 81' rotating) 5 MWD surveys on tower (See Attached MWD Surveys) Drill from 9,403' to 9,574' (139 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 45K rotating - 80' sliding & 91' rotating) 4 MWD surveys on tower (See Attached MWD Surveys) BGG = 46 units - max. gas = 230 units - conn. gas = 130 units - no shows

09/08/2003 Depth 10,107
Progress 533
AFE: 23361 Present Operation: Directional Drilling

Drill from 9,574' to 9,793' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 60' sliding & 159' rotating) 4 MWD surveys on tower (See Attached MWD Surveys) Service rig Drill from 9,793' to 9,918' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 10' sliding & 115' rotating) Install rotating head rubber @ 9,918' - 5' to 15' gas flare Drill from 9,918' to 9,981' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 15' sliding & 48' rotating) - 5' to 15' gas flare 3 MWD surveys on tower (See Attached MWD Surveys) Drill from 9,981' to 10,107' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 35' sliding & 91' rotating) - 5' to 10' gas flare 1 MWD surveys on tower (See Attached MWD Surveys) BGG = 140 units - max. gas = 881 units - conn. gas = 300 units - shows: 9,866' to 9,870 & 9,896' to 9,899' - 5' to 15' gas flare @ 9,918' - Est. Top of Cisco @ 9,848'

09/09/2003 Depth 10,240
Progress 133
AFE: 23361 Present Operation: Directional Drilling

Drill from 10,107' to 10,179' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 27' sliding & 45' rotating) - 5' to 10' gas flare - displaced well with 10# brine water - no flare 2 MWD surveys on tower (See Attached MWD Surveys) & service rig Trip out for bit - LD motor & Bit # 5 8 3/4" HTC HR-S44C 3-16's serial # 5037712 in @ 7,947' out at 10,179' cut 2,232' in 88 1/2 hrs. condition = T3 B4 in gauge - function test BOP - OK PU & TIH with Bit # 6, new motor, new MWD & BHA - install rotating head rubber & test motor - OK TIH with 4 1/2" DP stripping through rotating head due to intermittent flow of gas & drilling fluid Wash 57' to bottom - no fill Drill from 10,179' to 10,195' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 3' sliding & 13' rotating) - 5' to 15' gas flare - no MWD surveys on tower Drill from 10,195' to 10,240' (139 RPM motor - 50 RPM rotary [rotating] - 35K sliding & 45K rotating - 24' sliding & 21' rotating) - 5' to 8' gas flare 2 MWD survey on tower (See Attached MWD Surveys) BGG = 325 units - trip gas = 1,888 units - conn. gas = 880 units - no shows

09/10/2003 Depth 10,393
Progress 153
AFE: 23361 Present Operation: CIRC Well on Choke

Drill from 10,240' to 10,289' (139 RPM motor - 50 RPM rotary [rotating] - 25K sliding & 45K rotating - 36' sliding & 13' rotating) - 5' to 8' gas flare Service rig 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,289' to 10,343' (139 RPM motor - 50 RPM rotary [rotating] - 25K sliding & 45K rotating - 28' sliding & 26' rotating) - no gas flare 2 MWD surveys on tower (See Attached MWD Surveys) Drill from 10,343' to 10,393' (139 RPM motor - 50 RPM rotary [rotating] - 25K sliding & 45K rotating - 22' sliding & 28' rotating) - no gas flare 1 MWD survey on tower (See Attached MWD Surveys) Checked for flow - well flowing after drilling break from 10,390' to 10,393' - shut well in - 100# SIDPP & 300# SICP - will take 10.1 #/gal. to kill well - returned to the steel pits & started mud up & adding salt for weight - circulating through choke at 10,393' - 10' to 20' gas flare BGG = 920 units - max. gas = 2,180# units - conn. gas = 1,100 units - show: 10,270' to 10,276' - 2,180 units gas

09/11/2003 Depth 10,393
Progress 0
AFE: 23361 Present Operation: Circulating Well on Choke

Circulating well through choke - mudding up well at 10,393' - mixed salt for weight until saturated at 10.2 #/gal. & barite for mud weight to 10.5 #/gal. - mixed LCM for loss of fluid - 10' to 30' gas flare 150# on DP & 325# on casing with well on choke at 62 SPM with 10.5 #/gal. mud weight at report time with no further fluid losses

09/12/2003 Depth 10,393

Progress 0
AFE: 23361 Present Operation: Circulating Well on Choke

Circulated well on choke - mixed XCD Polymer to bring Vis. up to 41 to hold barite - mixed LCM for fluid losses - mixed bulk barite to bring mud weight from 10.5 #/gal. to 12.2 #/gal. - at report time circulating well through choke with 500# on DP & 125# on casing - 60 SPM on pump - 10' to 20' gas flare

09/13/2003 Depth 10,469
Progress 76
AFE: 23361 Present Operation: Directional Drilling

Circulated well on choke with 500# on DP & 125# on csg. - 60 SPM on pump - 10' to 20' gas flare Drill from 10,393' to 10,396' (139 RPM motor - 25K bit wt. sliding - 15' down to 1' gas flare drilling through a 2 3/4" open choke - lost circulation @ 10,396' Took well off choke & mixed LCM - regained returns - 10' to 15' gas flare - by-passed shale shaker Service rig Drill from 10,396' to 10,410' (139 RPM motor - 50 RPM rotary [rotating] - 45K rotating - 0' sliding & 14' rotating) - 10' to 15' gas flare - full returns 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,410' to 10,438' (139 RPM motor - 50 RPM rotary [rotating] - 40K sliding & 45K rotating - 9' sliding & 19' rotating) - 10' to 15' gas flare - full returns 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,438' to 10,469' (139 RPM motor - 50 RPM rotary [rotating] - 45K rotating - 0' sliding & 31' rotating) - 10' to 20' gas flare - full returns 1 MWD survey on tower (See Attached MWD Surveys) BGG = 450 units - max. gas = 450 units - conn. gas = 450 units - no shows

09/14/2003 Depth 10,574
Progress 105
AFE: 23361 Present Operation: Directional Drilling

Drill from 10,469' to 10,488' (139 RPM motor - 50 RPM rotary [rotating] - 50K rotating - 0' sliding & 19' rotating) - 10' to 20' gas flare - full returns - flowing on connections Service rig Drill from 10,488' to 10,517' (139 RPM motor - 50 RPM rotary [rotating] - 50K rotating - 0' sliding & 29' rotating) - 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,517' to 10,544' (139 RPM motor - 50 RPM rotary [rotating] - 45K sliding & 50K rotating - 10' sliding & 17' rotating) - 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,544' to 10,574' (139 RPM motor - 50 RPM rotary [rotating] - 50K rotating - 0' sliding & 30' rotating) - 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) BGG = 1,200 units - max. gas = 1,985 units - no shows

09/15/2003 Depth 10,694
Progress 120
AFE: 23361 Present Operation: Directional Drilling

Drill from 10,574' to 10,621' (139 RPM motor - 55 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 47' rotating) - 10' to 20' gas flare - full returns - flowing on connections Service rig - flow of fluid subsides after 5 mins. - flow of gas remains 2 MWD surveys on tower (See Attached MWD Surveys) Drill from 10,621' to 10,664' (139 RPM motor - 55 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 43' rotating) - 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,664' to 10,694' (139 RPM motor - 60 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 30' rotating) - 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) BGG = 1,280 units - conn. gas = 1,950 units - max. gas = 1,950 units - no shows

09/16/2003 Depth 10,776
Progress 82
AFE: 23361 Present Operation: Directional Drilling

Drill from 10,694' to 10,728' (139 RPM motor - 60 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 34' rotating) - 10' to 20' gas flare - full returns - flowing on connections Service rig 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,728' to 10,755' (139 RPM motor - 60 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 27' rotating) - 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,755' to 10,776' (139 RPM motor - 60 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 21' rotating)

- 10' to 20' gas flare - full returns - flowing on connections 1 MWD survey on tower (See Attached MWD Surveys) BGG = 1,729 units - conn. gas = 2,359 units - max. gas = 2,410 units - no shows

09/17/2003 Depth 10,790
Progress 14
AFE: 23361 Present Operation: C&C Mud at 7850'

Drill from 10,776' to 10,790' (139 RPM motor - 60 RPM rotary [rotating] - 45K bit wt. rotating - 0' sliding & 14' rotating) - 10' to 20' gas flare - full returns - flowing on connections Circ from TD @ 10,790'. Unload, clean, drift and tally 7" csg. Pump & spot 200 bbl 14.2 ppg mud from Bit and up TOH w/ 31 stands of DP. Placing Bit at 7850'. Check for flow. Well flowing 10 gpm Circ and cond mud Lost 100% of returns. Slow pump rate and mix LCM. Lost approx 680 bbls of mud before re-gaining returns Circ and cond mud. This A.M. circulating with full returns with bit at 7850'. Mud wt at 11.2 ppg. 5' to 10' gas flare. Bringing mud wt up to approx 11.5# to kill well and continue TOH to run 7" csg.

09/18/2003 Depth 10,790
Progress 0
AFE: 23361 Present Operation: C&C Mud

Circ and Cond Mud. Bring Mud Wt up to 11.5#. Well start taking fluid. Slug pipe w/ 30 bbls 11.9# Start TOH to run csg. At 79 stands out, placing bit at 3295', well start flowing. Shut in well and circ thru choke increasing mud wt to 12.3#. Well start taking fluid. 10' to 20' flare Begin stripping DP back in hole. With 6 stands, in flowline parted in dresser sleeve. PU kelly and circ thru choke while repairing flowline. Set back kelly. Strip pipe in hole placing bit at 7850' Slow pmp with no returns adding LCM to heal hole. Lost approx 180 bbls mud Re-gain returns. Circ and cond mud. Mud wt. Varying from 10.8# to 11.3#. This A.M. have full returns w/ 11.8# in and 11.7# out. Burning 5' to 10' flare intermittenly Building and preparing 130 bbl 13# pill to spot at 7850' before tripping to run csg

09/19/2003 Depth 10,790
Progress 0
AFE: 23361 Present Operation: CIRC & Prep to TOH

Circ and cond mud. 11.9# in and 11.9# mud wt out. Burning 5' to 10' flare intermittemtly. Build 100 bbl 13.5# pill. Stop circ and check for flow 30 mins. No mud flow. Burning 5' to 10' flare intermittenly. Pump and spot 100 bbl 13.5# pill from 7850'. TOH w/ 10 stands placing bit at 5970'. Wait one hour checking for flow. No mud flow and 5' to 10' intermitten flare. TOH w/ 10 stands. Well quite taking displacement and start flowing. Circ out 25 bbl gas bubble and start flaring 10' to 15' continous. Increase mud wt to 12.8# in and 12.4# out. Well flowing when pump turned off. TIH w/ DP in stages.Circ bottoms up at 7390' and 8800'. 15' to 20' continous flare Circ and cond mud from 10,700'. This A.M. circ with 12.8# in and 12.5# out. No flare for last 2 hrs. Building pill to slug DP and TOH while circulating.

09/20/2003 Depth 10,790
Progress 0
AFE: 23361 Present Operation: Running 7" Casing

Circ and cond mud. 12.8 ppg in and 12.6 ppg out. No flare TOH with drill pipe Break Kelly, remove drivers and rotating rubber. RU lay down machine Lay down 9 DC'S Lay down Machine broke cable. Replace and repair cable. Install 7" csg rams while repairing cable Finish laying down DC'S and directional tools. Pull wear bushing and rig up csg tools. Pick up and run 7" 26# P-110 LT&C csg. Lost returns while filling csg at 3300'. This A.M. have picked up 175 of 250 jts of 7" csg. Filling csg every 15 jts. No returns

09/21/2003 Depth 10,790
Progress 0
AFE: 23361 Present Operation: LD 4-1/2" DP

Run 7" csg. Total 249 jts 7" 26# P-110 LT&C Set down on Bridge at 10,740'. RU Howco and wash csg down with no returns to 10,745'. Could not wash deeper. RU to pump 1st stage. Csg Seat @ 10,745' - FC @ 10,701' - DV @ 5,445' Howco mix and pump 400 sks of Interfill "H" w/ 5# gilsonite and 1/4# FC. Mixed at 12.5# with yield of 1.99 cu ft/sk. Tail in w/ 150 sks Super "H" w/ .5% Lap 1, .4% CF3-3, 2.5# Salt, 5# Gilsonite and 1/4# FC.

Final psi 1700 psi. Bumped plug at 14:00 to 2200 psi. Bleed to 0. Floats holding. No returns thru out job. Drop Bomb and open DV tool at 5,445' w/ 850 psi. Slow pump 60 bbls of 12.5# mud. No returns. Howco mix and pump 200 sks of Interfill "H" w/ 1/4 # FC at wt of 11.7#. Tailed in w/ 200 sks of Super "H" w/ .5% Lap -1, .4% CFR-3, 2.5# salt, 5# gilsonite and 1/4# FC at wt of 13# w/ yield of 1.63 cu ft/sk. Final psi 850 psi. Bumped and closed DV at 17:00 w/ 1750 psi. Bleed to 0. No returns thru out job.Rig down Howco ND BOP. Set slips. Cut off and Bevel 7" stub. NU BOP. RU LD Machine and Csg Crew. Lay down 4 1/2" DP out of derrick via mouse hole.

09/22/2003 Depth 10,790
Progress 0
AFE: 23361 Present Operation: D/O Stage Collar

Lay down 4 1/2" DP via mouse hole RD Power Tongs and LD Machine PU and Lay down Kelly Change out pipe rams in BOP Test BOP and related equipment to 5000#. Remove Dresser Sleeve on Flow line and weld solid Slip and Cut Drilling Line RU LD Machine and misc tools for slim hole package. Caliper and strap BHA and 3 1/2" DP PU and TIH w/ 6 1/8" bit, BHA and DP

09/23/2003 Depth 10,790
Progress 0
AFE: 23361 Present Operation: Running Cased Hole Logs

Tagged up on cement at 5,354' - drilled cement & DV Tool from 5,354' to 5,476' & washed down to 5,508' - tested 7" casing, DV Tool, well head & BOP to 2,200# for 15 mins. with rig pump - OK Continued PU 3 1/2" DP & TIH - tagged up on wiper plug at 10,682' Installed rotating head & drive bushings - drilled cement, wiper plug, float collar , cement & shoe from 10,682' to 10,726' (bottom of 7" casing) & washed & reamed fill in 8 3/4" open hole from 10,726' to 10,782' TD DP tally - hose burst between the #1 & #2 pumps - pulled up to the casing shoe Rig repair on hose Washed down to 10,782' & pumped sweep Trip out to run cased hole logs RU Halliburton & running cased hole logs - Logger's TD = 10,764' - running Wave Sonic Cross Dipole Log & Dual Spaced Neutron Log - changing liners in both pumps while logging

09/24/2003 Depth 10,826
Progress 36
AFE: 23361 Present Operation: Directional Drilling

Halliburton ran cased hole logs - ran Wave Sonic Cross Dipole Log, Dual Spaced Sonic Log & Acoustic Cement Bond Log - RD Halliburton - cement bond log showed TOC on 1st stage at 7,956' - top of tail cement at 8,900' - cement top on 2nd stage at base of DV Tool at 5,434' going down to 7,196' instead of going up from DV Tool - no cement above DV Tool PU & TIH with Bit # 8, motor & MWD tools - tested motor & MWD - OK TIH with DC's & DP Wash 35' from 10,747' to 10,782' TD - 3 1/2" DP tally - no fill - started mud up Drill from 10,782' to 10,795' (101 RPM motor - 60 RPM rotary [rotating] - 15K bit wt. rotating) 1 MWD survey on tower (See Attached MWD Surveys) Drill from 10,795' to 10,826' (101 RPM motor - 60 RPM rotary [rotating] - 15K bit wt. rotating) BGG = 57 units - max. gas = 60 units - no shows

09/25/2003 Depth 11,114
Progress 288
AFE: 23361 Present Operation: Directional Drilling

Drill from 10,826' to 10,869' (101 RPM motor - 60 RPM rotary [rotating] - 25K sliding & 20K rotating - 10' sliding & 33' rotating) Service rig 2 MWD surveys on tower (See Attached MWD Surveys) Drill from 10,869' to 10,996' (102 RPM motor - 65 RPM rotary [rotating] - 25K sliding & 35K rotating - 10' sliding & 117' rotating) 4 MWD surveys on tower (See Attached MWD Surveys) Drill from 10,996' to 11,114' (94 RPM motor - 70 RPM rotary [rotating] - 25K sliding & 38K rotating - 40' sliding & 78' rotating) 3 MWD surveys on tower (See Attached MWD Surveys) BGG = 100 units - conn. gas = 120 units - max. gas = 165 units - no shows Top of Strawn Lime @ 10,867' MD by samples

09/26/2003 Depth 11,340
Progress 226
AFE: 23361 Present Operation: Tripping for bit

Drill from 11,114' to 11,247' (94 RPM motor - 70 RPM rotary [rotating] - 25K sliding & 38K rotating - 36' sliding & 97' rotating) Service rig 3 MWD surveys on tower (See Attached MWD Surveys) Drill from 11,247' to 11,340' (94 RPM motor - 70 RPM rotary [rotating] - 25K sliding & 38K rotating - 39' sliding & 93' rotating) - motor stalling out 3 MWD surveys on tower (See Attached MWD Surveys) Circulate - mix & pump slug Trip out for Bit # 8 6 1/8" HTC STX-30C 3-18's serial # 5036183 in @10,782' out @ 11,340' cut 558' in 43.25 hrs. condition = T8 B8 1/16" out of gauge Function test BOP's - change out bit & motor - test motor - OK TIH with Bit # 9 BGG = 325 units - max. gas = 345 units - no shows Top of Atoka @ 11,210' MD by samples

09/27/2003 Depth 11,580
Progress 240
AFE: 23361 Present Operation: Directional Drilling

TIH with Bit # 9 to 11,280' Wash 60' to bottom from 11,280' to 11,340' - no fill Service rig Drill from 11,340' to 11,404' (94 RPM motor - 70 RPM rotary [rotating] - 18K sliding & 35K rotating - 20' sliding & 44' rotating) 2 MWD surveys on tower (See Attached MWD Surveys) Drill from 11,404' to 11,510' (98 RPM motor - 70 RPM rotary [rotating] - 28K to 35K rotating - 0' sliding & 106' rotating) 3 MWD surveys on tower (See Attached MWD Surveys) Drill from 11,510' to 11,580' (98 RPM motor - 70 RPM rotary [rotating] - 28K rotating - 0' sliding & 70' rotating) 2 MWD surveys on tower (See Attached MWD Surveys) BGG = 90 units - max. gas = 145 units - trip gas = 360 units with a 2' to 4' gas flare - no shows Top of Morrow @ 11,512' MD by samples

09/28/2003 Depth 11,760
Progress 180
AFE: 23361 Present Operation: Directional Drilling

Drill from 11,580' to 10,663' (100 RPM motor - 70 RPM rotary [rotating] - 18K sliding & 23K rotating - 5' sliding & 78' rotating) Service rig 2 MWD surveys on tower (See Attached MWD Surveys) Drill from 11,663' to 11,717' (102 RPM motor - 70 RPM rotary [rotating] - 18K sliding & 18K rotating - 1' sliding & 53' rotating) 1 MWD survey on tower (See Attached MWD Surveys) Drill from 11,717' to 11,760' (98 RPM motor - 70 RPM rotary [rotating] - 18K sliding & 15K rotating - 16' sliding & 27' rotating) 1 MWD survey on tower (See Attached MWD Surveys) BGG = 120 units - no shows - 1st Morrow Sand @ 11,720' to 11,730' by samples very limey not developed

09/29/2003 Depth 11,837
Progress 77
AFE: 23361 Present Operation: Directional Drilling

Drill from 11,760' to 11,787' (98 RPM motor - 70 RPM rotary [rotating] - 18K sliding & 15K rotating - 7' sliding & 20' rotating) - motor stalled out -1 MWD survey on tower (See Attached MWD Surveys) Service rig - circulate - mix & slug DP Trip out for Bit # 9 6 1/8" HTC STX-44C 3-18's in @11,340' out @ 11,787' cut 447' in 44.25 hrs. condition = T4 B4 in gauge - LD bit & motor - function tested BOP's TIH with Bit # 10 & new motor - test motor - OK Cut drilling line TIH with Bit # 10 - wash & ream 55' to bottom from 11,732' to 11,787' - no fill Drill from 11,787' to 11,790' (98 RPM motor - 70 RPM rotary [rotating] - 20K rotating - 0' sliding & 3' rotating) Drill from 11,790' to 11,837' (98 RPM motor - 70 RPM rotary [rotating] - 20K rotating - 0' sliding & 47' rotating) 1 MWD survey on tower (See Attached MWD Surveys) BGG = 310 units - trip gas = 690 units with a 2' to 4' gas flare - no shows - Sand from 11,800' to 11,810'

09/30/2003 Depth 12,014
Progress 177
AFE: 23361 Present Operation: Directional Drilling

Drill from 11,837' to 10,950' (98 RPM motor - 60 RPM rotary [rotating] - 35K rotating - 0' sliding & 113' rotating) Service rig 3 MWD surveys on tower (See Attached MWD Surveys) Drill from 11,950' to 11,991' (98 RPM motor - 60 RPM rotary [rotating] - 35K rotating - 0' sliding & 41' rotating) - no MWD surveys this tower Drill from 11,991' to 12,014' (98 RPM motor - 60 RPM rotary [rotating] - 30K rotating - 0' sliding & 23' rotating) 1 MWD survey on tower (See Attached MWD Surveys) BGG = 985 units - max. gas = 3,850 units - shows: Sands 11,900' to 11,915' - 11,944' to 11,954' 11,975' to 11,990'

10/01/2003 Depth 12,095
Progress 81
AFE: 23361 Present Operation: Directional Drilling

Drill from 12,014' to 12,037' (119 RPM motor - 60 RPM rotary [rotating] - 35K rotating - 0' sliding & 23' rotating) - bit started torqueing up - no MWD surveys on tower Service rig - circulate - mix & slug DP Trip out for Bit # 10 6 1/8" HTC STX-DS44CDX 3-20's in @11,787' out @ 12,037' cut 250' in 36.75 hrs. condition = T8 B8 in gauge - LD bit - function tested BOP's TIH with Bit # 11 & same motor - test motor - OK TIH with Bit # 11 - wash & ream 50' to bottom from 11,987' to 12,037' - no fill Drill from 12,037' to 12,040' (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 0' sliding & 3' rotating) - no MWD surveys on tower Drill from 12,040' to 12,095' (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 0' sliding & 55' rotating) 1 MWD survey on tower (See Attached MWD Surveys) BGG = 1,300 units - trip gas = 3,680 units with a 2' to 5' gas flare - shows: Lower Morrow Sand 12,052' to 12,066' = 3,350 units gas & 12,072' to 12,078' = 1,400 units gas

10/02/2003 Depth 12,238
Progress 143
AFE: 23361 Present Operation: Directional Drilling

Drill from 12,095' to 12,133' (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 0' sliding & 38' rotating) Service rig 1 MWD survey on tower (See Attached MWD Surveys) Drill from 12,133' to 12,188' (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 0' sliding & 55' rotating) - no MWD surveys this tower Drill from 12,188' to 12,238' (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 0' sliding & 50' rotating) - no MWD surveys this tower BGG = 3,708 units - max. gas = 4,200 units - shows: 12,070' to 12,100' = 2,500 units - 12,140' to 12,150' = 2,250 units - 12,160' to 12,172' = 3,250 units - 12,180' to 12,192' = 3,250 units - 12,200' to 12,206' = 3,600 units

10/03/2003 Depth 12,300
Progress 62
AFE: 23361 Present Operation: Running OH Logs

Drill from 12,238' to 12,258' (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 20' rotating Service rig 2 MWD surveys on tower (See Attached MWD Surveys) Drill from 12,258' to 12,300' TD (119 RPM motor - 60 RPM rotary [rotating] - 25K rotating - 42' rotating - reached TD of 6 1/8" hole at 1:00 PM 10/2/2003 Circulate - mix & slug DP Trip out (chained out 1st 16 stands) - LD 2 monel DC's, MWD, X~O subs, motor & Bit # 11 RU Halliburton & running open hole logs - Logger's TD = 12,284' BGG = 560 units - max. gas = 4,180 units - shows: 12,224' to 12,262' = 4,125 units & 12,284' to 12,298' = 2,900 units

10/04/2003 Depth 12,300
Progress 0
AFE: 23361 Present Operation: Running 4-1/2" Liner

Ran open hole logs with Halliburton - GR Dual Spaced Neutron Spectral Density Log - Dual Laterlog Micro Spherically Focused Log - Full Wave Sonic Log - RFT Tool Tests - RD Halliburton TIH with bit, bit sub, DC's & DP to 6,200' Break circulation at 6,200' Continue TIH with DP Wash 42' to bottom - no fill Circulate bottoms up - 2' to 5' gas flare Pump slug & drop 2" OD TIW rabbit with a 100' wireline tail Trip out to run 4 1/2" liner - found rabbit in the top of the DC's RU laydown machine & casing crew & run 4 1/2" liner (See Casing Detail) with 57 B&L Equip. Turbo Agitators - 2 per jt. on 1st 15 jts. & 1 per jt. on the next 27 jts.

10/05/2003 Depth 12,300
Progress 0
AFE: 23361 Present Operation: POOH LD 4-3/4" DCs

RD casing crew & laydown machine TIH with 4 1/2" liner on 3 1/2" DP - 2 mins. per stand, filling DP every 15 stands PU TIW manifold & RU Halliburton - washed down & tagged TD @ 12,300' - no fill Circulated to clear liner & bottoms up - dropped ball Set bottom of liner at 12,299' & top of PBR at 10,491' - got off liner & set back down Halliburton cemented 4 1/2" liner with 160 sx Super "H" Cement + 1# salt + 0.5% Halad-344 + 0.4% CFR-3 + 0.3% HR-7 + 5# Gilsonite + 1/4# Flocele per sx - mixed at 13.0 #/gal. - 1.68 ft.3 / sx yield - 4 hrs. 15

mins. pump time - plug down & bumped with 1,550# at 4:57 PM (CDT) 10/4/2003 Set liner packer - pulled up 10' above PBR & reversed out entire well with 400 bbls. fresh water - circulated 43 sx of cement off top of liner Attempted to test 7" casing, BOP, 4 1/2" liner to 2,000# - slight bleed off due to trapped air in fluid RD Halliburton & TIW manifold RU power tongs & LD machine - POOH LD 3 1/2" DP & TIW Liner Hanger Stinger - RD power tongs TIH with 14 stands DC's & 5 stands DP from derrick POOH LD DP & DC's

10/06/2003

Depth 12,300
Progress 0
AFE: 23361 Present Operation: Released Rig

POOH LD DC's, kelly & rental tools - loaded out all rental Weatherford Items - RD LD machine Change pipe rams in BOP from 3 1/2" to 4 1/2", ND & LD BOP, made final cut on 7" casing, installed an 11" 5,000# X 7 1/16" 5,000# tubing head & tested head to 4,000# - OK - jetted & cleaned steel pits. Released Patterson-UTI Rig # 75 @ 5:00 PM (CDT) 10/5/2003 to go to the Chaparral "33" Federal # 2 RD Rig