

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

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)
972-401-3111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
510' FSL & 990' FEL Sec. 30 T19S - R34E

5. Lease Serial No.
NM 056376

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Mescalero 30 Federal 1

9. API Well No.
30-025-29266

10. Field and Pool, or Exploratory Area
Apache Ridge; Bone Springs

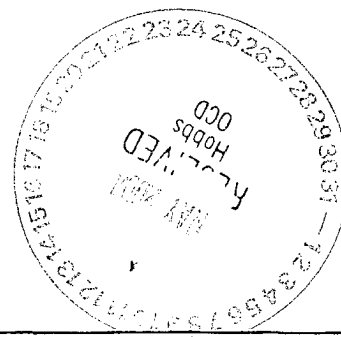
11. County or Parish, State
Lea Co., NM

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 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>Minor workover</u>
	<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 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.)

Please see attached drilling report showing the work done to bring production up on this well.



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

Natalie Krueger

Signature

Natalie Krueger

Title

Production Assistant

Date

April 22, 2004

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ORIG SGD DAVID R. GLASS
APR 27 2004

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)

GWW

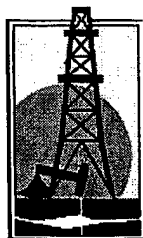
DATE:8-1-4-03 DAY #1,2,3 Lease/Well No:Mescalero Federal 30 # 1 AFE No.: PN 76515
 PURPOSE OF WORK:Remove Stuck Tubing Anchor, Pull well for pump change. PULLING UNIT:Tyler Well Service (Victor) R. RestonTD:12,840 KB ABOVE GL: TS:PBTD:
 PROD CSG:5 1/2" (17#) SN:9665PERFS: TBG:2 7/8 N80 PKR:TAC @ 9164' DAILY ACTIVITY
 TIMEOPERATION FROM TOHRS Avg. Prod./Day = 11 bopd, 38 Mcf. RU Pooh with 111 (7/8"), 269 (3/4), 18 (7/8"), rods, sheared 26 K tool, ND WH, NU BOP Attempt to unset TAC, Pulled 90 Pts. Would not unset, RU pump truck, pump 500 gal 15% HCL and flush with 50 BBLS 7% water.SDFWE. Rig \$ 2100. Chemical and water \$ 750, Bop \$ 300. (\$ 3150) Total 8/4/03 Attempt to unset TAC, would not release, RU Computalog WL, RIH to free point. Free @ 9160', stuck @ 9166', Rih with 2.125" JET CUTTER, Cut off 2 7/8" tbg. @ 9116'. Pooh with WL, Pooh with 60 Jts. Of tbg. Had problems getting down with cutter. Left in hole to fish, 1 1/2 Jts. 2 7/8" tbg, tac, 15 Jts.. Rig \$ 2050, Bop \$ 25, Computalog WL \$ 4700. (\$ 6775) 8/5/03 (Tues). Continue to Pooh with tbg. (290 & 1/2 jts). Rih with OS -short catch, 2.875" basket grapple on 2 7/8" tbg. Catch fish @ 9116', had problem jarring loose, pulled 100 Pts. to release, PU 10', Tac hung, worked free, Pooh with 14 Jts. (dragging) before pulling smooth. Pooh with tools, fish had came off. Will rih with extension and new grapple in AM. SDFD Rig \$ 1900, Fishing tools \$ 2900, Bop \$ 50. Day total (\$ 4850) Total to date: \$ 14,775 MHR 47.18%, Merit 37.5%, Robert Kent 1.25, Bright 1.54, AYCO 1.266, COST SUMMARY DAMAGESEQUIPMENT

08/08/2003
 Maintenance
 AFE:

Daily Cost: \$9,794
 Cumulative Costs: \$18,925

Present Operation:

8/7/03 (Thursday) TIH with TBG. String, listed below, Set TAC 13 PTS ,NU WH, RU Cudd, spot 1500 Gal of NEFE 15% Acid mixed with Xylene, flush with 56 BBLS of 7% Kcl. Tbg. On Vac. SI TBG. SDFD Top to Bottom: 296 Jts. 2 7/8" N 80 9284' 2 7/8" X 5 1/2" Tac
 3. 9287' 11 Jts. 2 7/8" Tbg. 345 9632' SN 1 4' X 2 7/8 Perf sub. 4 1 Jt. Open ended 31 9668' Rig \$ 1800, Acid \$ 2369, Water \$ 500, Mis. Parts, Tac ect. \$ 800, Bop \$ 50. Day total (\$ 5519) TOTAL to date: \$ 24,444.
 8/8/03 (Friday) Ru swab, had to cut paraffin to 3000', RIH with swab, FL @ 3800', Swab 40 BBLS of water, PU pump and rod string as listed below. 20 BBLS to load tbg. Put well to pumping straight to tank, (csg. Valve open). Prod for 8-9 in 15 hrs. 143 BBLS of water. Switch into treater. Prod. For Sun. 8/10/03, 28 Mcf, gas venting in to water tank, oil dump hung open on treater, lost oil into dike, picked up oil. Pinch valve on casing,FCP 460 #, 54 Mcf down Duke's flow low press line. Could not get Duke rep to change plate (.375") need larger. est. well flowed over 30 BBLS oil up csg. Left pumping unit shut down until a larger plate in installed. Pump (2 1/2"X 1.25X20' MHD),1(2'X3/4),26KSP,1 (2'X3/4),8 (7/8),267 (3/4),111 (7/8). 1 (2'X7/8), PR. Cost.Rig Total \$ 1900, Truck and water \$ 475, Pump \$ 1900 Day total \$ 4275, Total to Date: \$ 28719 (Last report) MHR 47.18%, Merit 37.5%, Robert Kent 1.25, Bright 1.54, AYCO 1.266,



Gruy Petroleum Management Co.
Magnum Hunter Production, Inc.

Well History

October 22, 2002 Thru August 8, 2003

OPERATED

QUAIL RIDGE

GRUY PETROLEUM MANAGEMENT CO

W.I. Pct BCP 0.00 %

76515 MESCALERO 30 FEDERAL 1
LEA, NM

W.I. Pct ACP 0.00 %
/ 0'

10/22/2002
Maintenance
AFE:

Daily Cost: \$0
Cumulative Costs: \$0

Present Operation:

Pooh with rods & part of shear tool , Rih with fishing tool & rods fished shear tool, change pump.Hang well on load tbg. Rig down.

TBG. DETAIL:

ROD DETAIL:

1 - 1 1/4 X 26' PR
1 - 1 1/2 X 14' PL
107 7/8 sucker rods
263 3/4 suckerrods
10 - 7/8 sucker rods
1 - 2' X 7/8 pony sub
1 - shear tool 26# -7/8
1 - 2' X 7/8 pony sub
1 - 2 1/2 X 1 1/4 X 20' RHBC pump

08/04/2003
Maintenance
AFE:

Daily Cost: \$9,131
Cumulative Costs: \$9,131

Present Operation: