

**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

1301 W. Grand Ave., Artesia, NM 88210

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410

**District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505

**State of New Mexico****Energy, Minerals and Natural Resources****Oil Conservation Division**

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-1

**APPLICATION FOR PERMIT TO DRILL**

Operator Name and Address GRUY PETROLEUM MANAGEMENT CO. PO Box 140907 Irving, TX 75014-0907		OGRID Number 162683
		API Number 30-031-21064
Property Code 33402	Property Name Escondido 19 Fee	Well No. 001

**Surface Location**

UL or Lot N	Section 19	Township 17N	Range 09W	Lot Idn n	Feet From 800	N/S Line S	Feet From 1830	E/W Line W	County McKinley
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**Proposed Pools**

WC CHACO SLOPE CREVASSE CANYON GAS 97331
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Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 6996
Multiple N	Proposed Depth 3500	Formation Crevasse Canyon Formation	Contractor	Spud Date 02/05/2004

**Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	350	250	0
Prod	7.875	5.5	15.5	3500	550	0

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	3000	Hydril
Blind	3000	3000	Townsend

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

Electronically Signed By: Zeno Farris

Title: Manager Operations Administration

Date: 02/02/2004

Phone: 972-443-6489

**OIL CONSERVATION DIVISION**

Electronically Approved By: Frank Chavez

Title: District Supervisor

Approval Date: 02/11/2004 Expiration Date: 02/11/2005

Conditions of Approval:  
No Conditions

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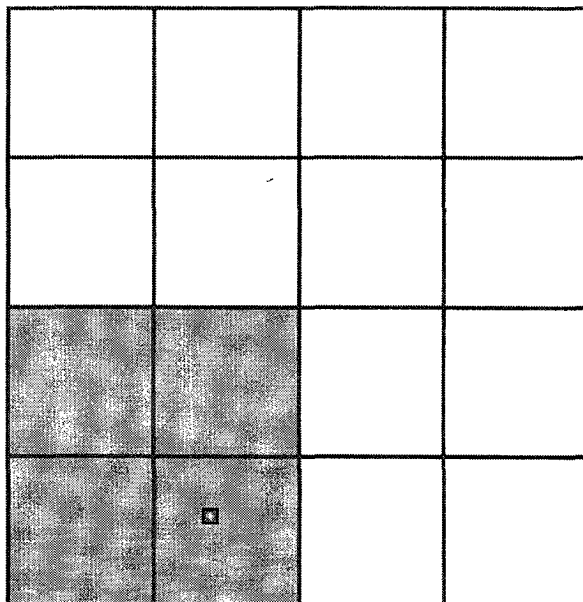
Form C-1

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-031-21064	Pool Name WC CHACO SLOPE CREVASSE CANYON GAS	Pool Code 97331
Property Code 33402	Property Name Escondido 19 Fee	Well No. 001
OGRID No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT CO.	Elevation 6996

**Surface And Bottom Hole Location**

UL or Lot N	Section 19	Township 17N	Range 09W	Lot Idn N	Feet From 800	N/S Line S	Feet From 1830	E/W Line W	County McKinley
Dedicated Acres 158.44		Joint or Infill		Consolidation Code		Order No.			

**OPERATOR CERTIFICATION**

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

Electronically Signed By: Zeno Farris

Title: Manager Operations Administration

Date: 02/02/2004

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

Surveyed By: Gerald Huddleston

Date of Survey: 01/28/2004

Certificate Number: 6844