

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-101  
Permit 7498

### 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 30-015-33985
Property Code 33411	Property Name NEW MEXICO DD STATE COM	Well No. 003

### Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	32	24S	26E	D	295	N	750	W	Eddy

### Bottom Holes

Pool: WHITE CITY;PENN (GAS) 87280									
UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	32	24S	26E	D	1000	N	990	W	Eddy

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3468
Multiple N	Proposed Depth 13000	Formation Morrow	Contractor	Spud Date 04/30/2005

### Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	200	390	0
Int1	12.25	9.625	40	1680	1200	0
Prod	7.875	5.5	17	13000	1620	2700

### Casing/Cement Program: Additional Comments

Per John Simutz of the BLM intermediate casing should be set at 1680 or to the base of the reef complex.
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### Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

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: 03/04/2005

Phone: 972-443-6489

### OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 03/08/2005

Expiration Date: 03/08/2006

Conditions of Approval:

There are conditions. See Attached.