

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 15035

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 30-015-34280
Property Code 35027	Property Name BLACK MAGIC 6 COM	Well No. 001

Surface Location

UL or Lot A	Section 6	Township 25S	Range 26E	Lot Idn 1	Feet From 1250	N/S Line N	Feet From 1250	E/W Line E	County Eddy
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Proposed Pools

Chosa Draw; Morrow (Wildcat)

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 3387
Multiple N	Proposed Depth 13000	Formation Morrow	Contractor	Spud Date 10/15/2005

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	225	0
Int1	12.25	9.625	40	1900	700	0
Prod	7.875	5.5	17	13000	2610	2700

Casing/Cement Program: Additional Comments

When drilling the production hole, Gruy will use fresh water from 1900 - 8300, cut brine from 8300 - 10000, and XCD Polymer mud from 10000 - 13000.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameron

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: 08/25/2005

Phone: 972-443-6489

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 08/25/2005

Expiration Date: 08/25/2006

Conditions of Approval:

There are conditions. See Attached.