<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

Date: 2/9/2006

Phone: 972-443-6489

State of New Mexico

Form C-101 Permit 22670

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

	GR	UY PETR	OLEUM I	me and Address MANAGEMENT CO 140907 750140907	2. 0 GRID Number 162683 3. API Number 30-025-37703					
4.	Property Code			5. Prope	ty Name				6. Well No.	
35401				QUAIL RIDO	E 32 STATE			002		
				7. Surface	Location					
UL - Lot	Section	Township	1 ~			ine	Feet From	E/W Line		
K	32	19S	34E	K 198	0 S		1980	W	LEA	
				8. Pool In	formation					
UAIL RI	DGE;MORF	OW (GA:	S)						832	
				Additional We	ll Informat	ion				
9. Work	1007.7000	10. Well		11. Cable/Rot	ry	1	2. Lease Type	13. Gr	13. Ground Level Elevation	
New W	Vell	GA	.S				State	3651		
14. Multiple 15. Proposed De			sed Depth	16. Format	ion		17. Contractor	18. Spud Date		
l	1		Morrov	Morrow				3/15/2006		
Depti	Distance from near	est fresh water wel	11		Distance t	to nearest surface water				
<u>it:</u> Liner: : Closed	Clay Pit Volume:			Method: ater Brine	Diesel/Oil-ba	sed Gas/Air				
			19.	Proposed Casing	and Cement	Pro		- 32		
	Hole Size	Casing 7		Casing Weight/ft	Setting Dep	th	Sacks of C		Estimated TOC	
Surf	17.5	13.3	10.	48	400		490		0	
Int1 Prod	12.25 8.75	9.62 5.5	_	40 17	3200 14000		880 1620		0 2700	
riod	0.75	0.0		V-0.	- 33-52			2700		
			Casing	y/Cement Progran	n: Additiona	ıl Co	mments			
			р	roposed Blowout I	revention I)mai	ram			
	king Pressure	Test Pressure		Manufacturer						
Type Working Pressure DoubleRam 5000				5000		Cameran				
my knowle furiher cer	edge and belief. tify that the di	cilling pit w	uII be consti	ne and complete to the best cucted according to a (attached) alternative	OII	CCC)NSERVA	TION D	IVISION	
CD-approv		Approved By: Paul Kautz								
	me: Electron			Famis	Title: Geolog		10/2004	T	D-4 2400000	
	ager Operati Iress: zfarris@				Approved Da	ite: 2/	10/2006	Expiration	Date: 2/10/2007	
Daniel A . 1.1		ω may number	numer.com	L						

Conditions of Approval Attached

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Pennit 22670

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

	THE BU CHILLOTTE IN THE COLUMN			
1. API Number	2. Pool Code	Pool Name		
30-025-37703	83280	QUAIL RIDGI	E;MORROW (GAS)	
4. Property Code	5. Property 1	Varne	6. Well No.	
35401	QUAIL RIDGE 3	002		
7. OGRID No.	8. Operator 1	Varne	9. Elevation	
162683	GRUY PETROLEUM MA	3651		

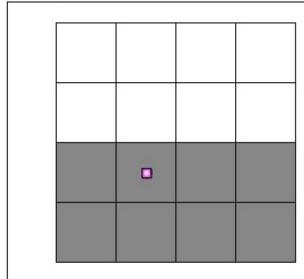
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	32	19S	34E		1980	S	1980	w	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township		Range	Lot	t Idm Feet From N/S Line		ine	Feet From	E/W Line	County	
12. Dedicated Acres 320.00			13. J	foint or Infill		14	. Consolidation (Code			15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Zeno Farris

Title: Manager Operations Administration

Date: 2/9/2006

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: Gary Jones Date of Survey: 1/24/2006 Certificate Number: 7977

Permit Comments

Operator: GRUY PETROLEUM MANAGEMENT CO., 162683
Well: QUAIL RIDGE 32 STATE #002
API: 30-025-37703

Created By	Comment	Comment Date
NKRUEGER	C-144 emailed to Donna Mull on 02-06-06.	2/6/2006
NKRUEGER	H2S Stmt emailed to Donna Mull on 02-06-06.	2/6/2006

Permit Conditions of Approval

Operator: GRUY PETROLEUM MANAGEMENT CO., 162683
Well: QUAIL RIDGE 32 STATE #002
API: 30-025-37703

OCD Reviewer	Condition
IDVAIITZ	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114