

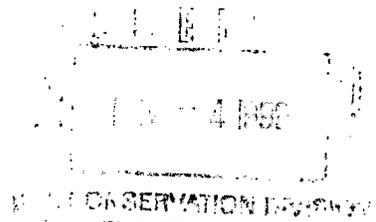
AMEND NSP 11/24/99

600 East Las Colinas Blvd.  
Suite 1100  
Irving, TX 75039  
972.443-6489 Phone  
972.443-6450 Fax

.....  
**Gruy Petroleum Management Co.**

Date: November 2, 1999

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, NM 87505



Re: Coleman No. 1 Well  
17J-21S-36E  
NSP No. 770

Ladies and Gentlemen:

Enclosed is a September 29, 1999 request for an amendment to NSP No. 770 regarding the referenced well. This request was inadvertently sent to the N.M.O.C.D. at P.O. Box 2088, which is no longer a valid address. The request was not returned with a bad address, so we are not sure if the letter was forwarded to the correct address.

If anything further is needed, please advise.

Yours truly,

Zeno Farris  
Manager, Operations Administration



## Gruy Petroleum Management Co.

600 East Las Colinas Blvd. ♦ Suite 1400 ♦ Irving, TX 75039 ♦ (972) 401-3111 ♦ Fax (972) 443-6450  
Mailing Address: P.O. Box 140907 ♦ Irving, TX 75014-0907  
*A subsidiary of Magnum Hunter Resources, Inc. • An American Stock Exchange Company • "MHR"*

September 28, 1999

Oil Conservation Division  
District I  
P.O. Box 1980  
Hobbs NM 88241-1980

80-025-09216

Re: Coleman No. 1 Well  
17J-21S36E  
NSP No. 770  
Lea County New Mexico

Ladies and Gentlemen:

Enclosed are New Mexico Forms C-101 and C-102 for the referenced well.

The Coleman No. 1 is currently producing in the Yates formation of the Eumont; Yates-7-Rivers-Queen Gas Pool. It was originally completed as an oil well in the Queen formation but was abandoned for the more prolific Yates Sand. A non-standard proration unit covering the W/2SE/4 of section 17 was approved under NMOC Administrative Order No. 770. Gruy Petroleum Management Co. proposes to squeeze off the Yates perforations, drill through the CIBP to the original TD of 4005', and complete this well as a gas producer in the Queen Sand, of the Eumont; Yates-7Rivers-Queen Gas Pool.

NSP No. 770 authorizes the W/2SE/4 to be operated as a non-standard gas proration unit so long as the Coleman No. 1 well is produced from the bradenhead only. This was the original producing method for the Yates formation. By copy of this letter to the NMOCD, and via certified mail to the offsetting operators, Gruy Petroleum Management Co. requests an amendment to NSP 770 authorizing conventional producing methods for the entire vertical interval of the Eumont; Yates-7Rivers-Queen Gas Pool.

If additional information is needed please advise.

Yours truly,

*Zeno Farris*

Zeno Farris  
Manager, Operations Administration

cc: Oil Conservation Division  
P.O. Box 2088  
Santa Fe NM 87504-2088

Conoco, Inc  
Texaco Exploration  
Arco Permian  
Chevron USA

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-101  
 Revised October 18, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 6 Copies  
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address. Gruy Petroleum Management Co. P.O. Box 140907 Irving TX 75014-0907		<sup>2</sup> OGRID Number 162683
		<sup>3</sup> API Number 30 - 0-25-08716
<sup>4</sup> Property Code 21869	<sup>5</sup> Property Name Coleman	<sup>6</sup> Well No. 1

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	17	21S	36E		2310'	South	2310'	East	Lea

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>9</sup> Proposed Pool 1 Eumont Yates Seven Rivers Queen (76480)	<sup>10</sup> Proposed Pool 2
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<sup>11</sup> Work Type Code D	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3631'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4005'	<sup>18</sup> Formation Queen	<sup>19</sup> Contractor Haliburton	<sup>20</sup> Spud Date When Approved

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
NA	12-1/2"	NA	423'	250	Unknown
NA	9-5/8"	NA	2955'	600	Unknown
NA	7"	NA	3619'	70	
	2-3/8"		3750'		

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Abandon Yates by squeezing perms at 3227' to 3559' with 100 sx C.  
 Test squeeze to 300# and drill through CIBP to original depth of 4005'.  
 Clean out hole and hang 2-3/8" tubing at 3750'.  
 Swab well and acidize if necessary and put on production in Queen formation.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Zeno Farris</i> 9-16-99 Printed name: Zeno Farris 972-443-6489 Title: Manager, Operations Administration	<b>OIL CONSERVATION DIVISION</b>	
	Approved by:	
	Title:	
	Approval Date:	Expiration Date:

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 PO Box 2088  
 Santa Fe, NM 87504-2088

Form C-102  
 Revised February 21, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-0-25-08716		<sup>2</sup> Pool Code 76480		<sup>3</sup> Pool Name Eumont - Yates - Seven Rivers - Queen	
<sup>4</sup> Property Code 21869		<sup>5</sup> Property Name Coleman			<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 162683		<sup>8</sup> Operator Name Gruy Petroleum Management Co.			<sup>9</sup> Elevation 3631'

<sup>10</sup> Surface Location

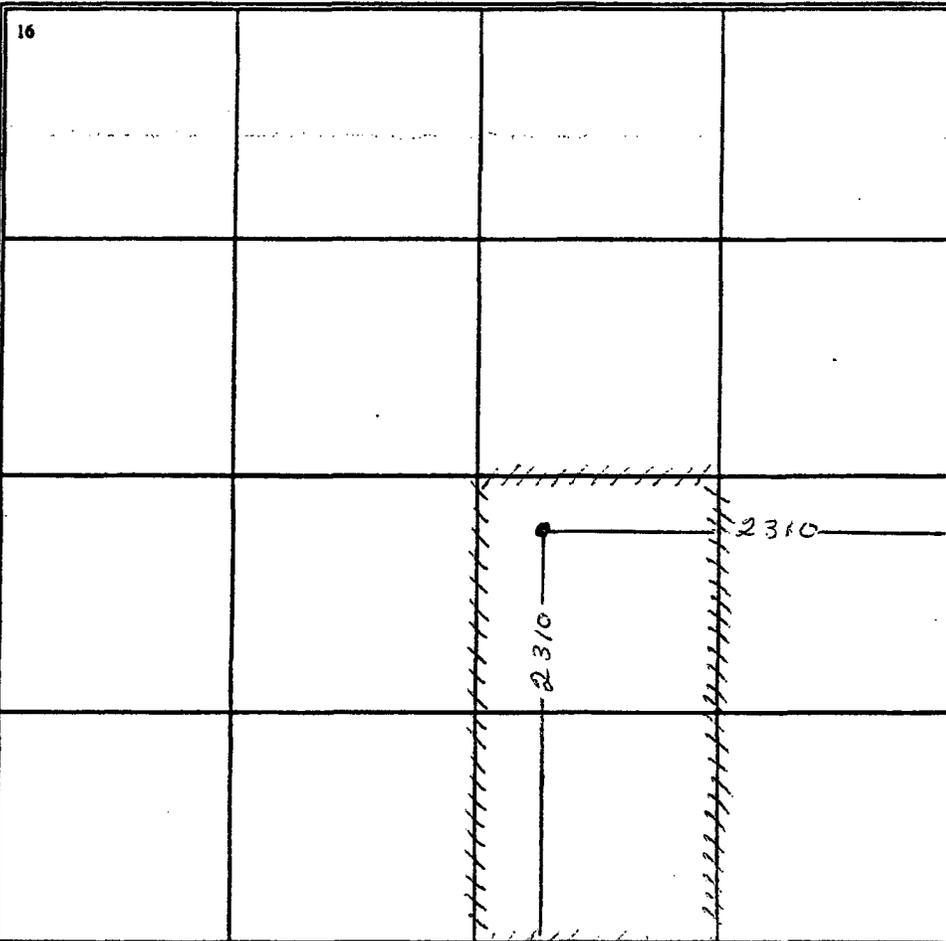
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	17	21S	36E		2310'	South	2310'	East	Lea

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 80	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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



<sup>17</sup> OPERATOR CERTIFICATION

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

*Zeno Farris*  
 Signature  
 Zeno Farris  
 Printed Name  
 Manager Operations Admin.  
 Title  
 September 16, 1999  
 Date

<sup>18</sup> 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.

Date of Survey  
 Signature and Seal of Professional Surveyer:  
 Certificate Number

District I  
 PO Box 1960, Hobbs, NM 88241-1960  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 PO Box 2088  
 Santa Fe, NM 87504-2088

Form C-102  
 Revised February 21, 1994  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-0-25-08716		<sup>2</sup> Pool Code 76480		<sup>3</sup> Pool Name Eumont - Yates - Seven Rivers - Queen	
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<sup>10</sup> Surface Location

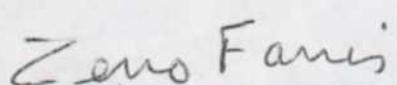
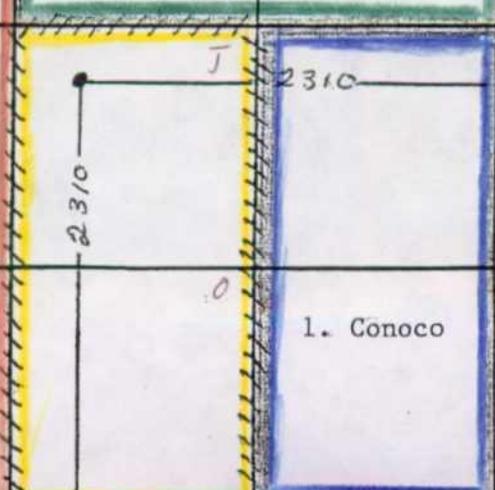
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 80	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>16</sup> 5. Chevron 4. Arco Perm 3. Texaco Exploration 2. Conoco 1. Conoco	<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Zeno Farris Printed Name Manager Operations Admin. Title September 16, 1999 Date	
	<sup>18</sup> SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	
		

**The Gruy Petroleum Management Company  
Coleman #1  
Unit J, Sec 17, T21S, R36E  
Offset Operators**

<b><u>Description</u></b>	<b><u>Operator</u></b>	<b><u>Address</u></b>
1. Sec 17, T21S, R36E	Conoco, Inc	P.O. Box 2197 Houston, Tx 77079
2. Sec 17, T21S, R36E	Conoco, Inc	P.O. Box 2197 Houston, Tx 77079
3. Sec 17, T21S, R36E	Texaco Exploration	1111 Bagby Houston, Tx 77002
4. Sec 17, T21S, R36E	Arco Permian	P.O. Box 1610 Midland, Tx 79702
5. Sec 17, T21S, R36E	Chevron USA	935 Gravier St New Orleans, La 70112