



ETRA 10/4/2005 10:51:10 AM

Gruy Petroleum Management Company

RHODES YATES-SEVEN RIVERS GAS POOL

Yates Net Porosity Isopach ($\geq 6\%$)
 Simultaneous Dedication Application
 Rhodes Federal Unit Wells 223 & 226

POSTED WELL DATA

Operator
 Well Name
 ● Well Number
 WELL - TD

REMARKS
 Lea County, New Mexico
 Contour Interval = 25 feet
 Showing 160 Acre Proration Unit Outlines

By: K. T. Nordstog

0 2,000 4,000
 FEET

October 4, 2005

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Case No. 13567-13572 Exhibit No. 12
 Submitted by:
GRUY PETROLEUM MANAGEMENT CO.
 Hearing Date: October 20, 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on reverse side)

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN
 1b. TYPE OF WELL
 OIL WELL GAS WELL SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Gruy Petroleum Management Co.

3. ADDRESS AND TELEPHONE NO
 P.O. Box 140907 Irving TX 75014 972-401-3111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *)
 1980' FNL & 1550' FEL

5. LEASE DESIGNATION AND SERIAL NO.
 NMLC030174A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 Rhodes Federal Unit

8. FARM OR LEASE NAME WELL NO.
 Rhodes Federal Unit No. 226

9. API WELL NO

10. FIELD AND POOL OR WILDCAT
 Rhodes; Yates-7 Rivers (Gas)

11. SEC. T. R. M. BLOCK AND SURVEY OR AREA
 22-T26S-R37E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 5 miles southeast of Jal, New Mexico

12. COUNTY OR PARISH
 Lea

13. STATE
 NM

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, T.O. (Also to nearest drlg unit line, if any)
 1550'

16. NO. OF ACRES IN LEASE
 640

17. NO. OF ACRES ASSIGNED TO THIS WELL.
 160

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1224'

19. PROPOSED DEPTH
 4000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 2979' GR CAPITAN CONTROLLED WATER BASIN

22. APPROX. DATE WORK WILL START*
 6-30-05

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55 8 5/8"	24#	1050'	600 sx circ to surf
7 7/8"	J-55 5 1/2"	15.5#	4000'	1150' sx circ to surf

The proposed well will be drilled to a depth of 4000' and completed as a Rhodes; Yates-7 Rivers (Gas) producer. From the base of the surface pipe through the running of production casing, the well will be equipped with a 3000 psi BOP system.

APPROVAL SUBJECT TO
 GENERAL REQUIREMENTS
 AND SPECIAL STIPULATIONS
 ATTACHED

IN ABOVE SPACE, DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Zeno Fami TITLE Mgr. Ops. Admin. DATE 05-23-05

(This space for Federal or State office use)
 PERMIT No. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL IF ANY:
 APPROVED BY Jac J. Lara TITLE Acting FIELD MANAGER DATE 5/28/05

*See Instructions On Reverse Side
 Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL FOR 1 YEAR

DISTRICT I
1625 N. FRENCH DR. HOBBE, NM 88240

DISTRICT II
1501 W. GRAND AVENUE, 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 Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name
		Rhodes; Yates-7 Rivers (Gas)
Property Code	Property Name	Well Number
	RHODES FEDERAL UNIT	226
OGRID No	Operator Name	Elevation
162683	GRUY PETROLEUM MANAGEMENT COMPANY	2983'

Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	22	26-S	37-E		1980	NORTH	1550	EAST	LEA

Bottom Hole Location If Different From Surface

UI or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160	Y	U	

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

GEODETIC COORDINATES
 NAD 27 NME
 $Y=376813.1$ N
 $X=867707.5$ E
 $LAT.=32^{\circ}01'49.52''$ N
 $LONG.=103^{\circ}08'48.50''$ W

Rhodes Fed Unit #223
 Rhodes Fed Unit #226

OPERATOR CERTIFICATION

I hereby certify the 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

May 24, 2005
Date

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.

MAY 6, 2005

Date Surveyed _____ LA

Signature of _____
Professional Surveyor

Darryl G. Eidson
DARYL G. EIDSON
05.11.0688
REGISTERED PROFESSIONAL SURVEYOR

Certification No. 0527 EIDSON 12641