

N.M. Oil Cons. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210

FORM APPROVED  
OMB NO. 1004-0136

Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

(See instructions on  
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

LC 065421

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Pending

8. FARM OR LEASE NAME, WELL NO.

Bradley 14 Federal Federal Com 4

9. API WELL NO.

30-015- 33393

10. FIELD AND POOL, OR WILDCAT

White City; Undesignated

11. SEC. T.R.M., BLOCK AND SURVEY

OR AREA

Sec. 14 T24S R26E

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

1b. TYPE OF WELL

OIL ☐

GAS ☒

SINGLE ☐

MULTIPLE ☐

WELL WELL

OTHER

ZONE

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.)

1600' FSL & 1200' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

16 miles South of Carlsbad

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, T.O.  
(Also to nearest drlg. unit line, if any)

1200'

16. NO. OF ACRES IN LEASE

488.4

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

640

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

2300'

19. PROPOSED DEPTH

13000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3264' GR

CARLSBAD CONTROLLED WATER BASIN

22. APPROX. DATE WORK WILL START\*

11-30-03

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2" WITNESS	J-55 13 3/8"	54.5 #	425' WITNESS	490 sx circulate
12 1/4"	J-55 9 5/8"	40 #	3200'	1200 sx circulate
7 7/8"	N-80/P-110 5 1/2"	17 #	13000'	1620 sx TOC 2700'

The proposed well will be drilled to a depth of 13000' and completed as a South Carlsbad Morrow, producer.

From the base of the surface pipe through the running of production casing, the well will be equipped with a 5000 - psi BOP system. We are requesting a variance for the 13 3/8" surface casing from Onshore Order No. 2, which states all casing strings below the conductor, shall be pressure tested to .22 psi per foot or 1500 # whichever is greater, but not to exceed 70% of the manufactures stated maximum internal yield. Per onshore order 2 the 13 3/8" 54.5 # J-55 casing should be tested at 70% of its maximum internal yield of 2730 # or 1911 #. During the running of the surface pipe we do not anticipate any pressures greater than 500 #, and are requesting a variance to test the 13 3/8" casing to 500 #

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 Zero Farris TITLE Mgr. Ops. Admin DATE 09-05-03

(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 /s/ Joe G. Lara

AGENCY FIELD MANAGER

DATE

12 APR 2004

\*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 SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

APPROVAL FOR 1 YEAR

## **Additional Operator Remarks**

Gruy Petroleum Management Co.  
Bradley 14 Federal Com.4  
Unit Letter I Section 14  
T24S - R26E Eddy County, NM

- 1 Master Drilling and Surface Use Plan on file at the BLM Roswell office which includes:
  - A. Lease Responsibility Statement and bonding information.
  - B. Anticipated starting date and duration of operations.
- 2 Included in this attachment are:
  - A. Well Location and acreage dedication plat.
  - B. Supplemental Surface Use Plan. (Exhibits A, B, and C)
  - C. Supplemental Drilling Data. (Exhibits D and E)
  - D. Statement of Operator Landowner Agreement.

## Surface Use Plan

Gruy Petroleum Management Co.  
Bradley 14 Federal Com 4  
Unit Letter I Section 14  
T24S - R26E Eddy County, NM

- 1 Existing Roads: Area maps, Exhibit "B" is a reproduction of Lea Co. General Highway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing roads and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
  - A. Exhibit "A" shows the proposed well site as staked.
  - B. Go South of Carlsbad on Highway 62-180 for approximately 16 miles. Turn left Blackriver Village Rd. for about 2 1/2 miles. Turn left on ranch road for about 1/4 mile. Turn right on caliche road to location.
- 2 PLANNED ACCESS ROADS: 1503' of new access road will be constructed.
- 4 LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS EXHIBIT "A"
  - A. Water wells - None known
  - B. Disposal wells - None known
  - C. Drilling wells - None known
  - D. Producing wells - As shown on Exhibit "A"
  - E. Abandoned wells - As shown on Exhibit "A"

## Surface Use Plan

Gruy Petroleum Management Co.  
Bradley 14 Federal Com 4  
Unit Letter I Section 14  
T24S - R26E Eddy County, NM

### 4 OTHER INFORMATION:

- A. Topography consists of a sloping plane with loose tan sands, and a few eroded areas. Vegetation is mainly yucca, mesquite and shin oak.
- B. The wellsite is on private surface owned by Warren Bounds, 1232 Black River Village Rd, Carlsbad, NM 88220. The land is used mainly for farming, cattle ranching and oil and gas production.
- C. An Archaeological survey will be conducted on the location and proposed roads, and this report will be filed with the Bureau of Land Management in the Carlsbad BLM office.
- D. The following dwellings are within 1 1/2 miles of this location.  
Cecil Bounds Farm House

### 5 OPERATORS REPRESENTATIVE:

Gruy Petroleum Management Company  
P.O. Box 14097  
Irving, TX 75014  
Office Phone: (972) 443-6489  
Zeno Farris

- 6 CERTIFICATION: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Gruy Petroleum Management Company contractors/subcontractors in the conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false statement.

NAME: Zeno Farris

DATE: 9/5/2003

TITLE: Manager, Operations Administration

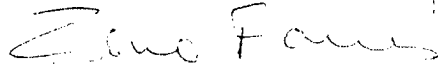
## Operator - Landowner Agreement

Company: Gruy Petroleum Management Co.  
Proposed Well: Bradley 14 Federal Com No. 4  
Federal Lease Number: LC-065421

This is to advise that Gruy Petroleum Management Co. has an agreement with: Warren Bounds, 1232 Black River Village Rd, Carlsbad, NM 88220, the surface owner, concerning entry and surface restoration after completion of drilling operations at the above described well.

After abandonment of the well, all pits will be filled and levelled, and all equipment and trash will be removed from the well site. No other requirements were made concerning restoration of the well site.

9/5/03  
Date

  
Signature      Zeno Farris  
Manager, Operations Administration

DISTRICT I  
P.O. Box 1960, Hobbs, NM 88241-1960

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1984  
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
		White City; Penn Gas
Property Code	Property Name	Well Number
	Bradley 14 FEDERAL COM.	4
GRID No. 162683	Operator Name	Elevation
	GRUY PETROLEUM MANAGEMENT CO.	3265'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	14	24-S	26-E		1600'	SOUTH	1200'	EAST	EDDY

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
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
650.10	Y	C							

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

<p>1650'</p> <p>1400'</p> <p>1300'</p> <p>990'</p> <p>Bradley 14 Fed Com 1</p> <p>GEODETIC COORDINATES NAD27 NME Y= 441701.9 N X= 523208.3 E LAT.= 32°12'51.60"N LONG.= 104°15'29.85"W</p> <p>Bradley 14 Fed Com 3</p> <p>Bradley 14 Fed Com 4</p> <p>3265.5'</p> <p>500'</p> <p>3263.9'</p> <p>1200'</p> <p>3264.1'</p> <p>3262.5'</p> <p>1090'</p> <p>1330'</p> <p>Bradley 14 Fed Com 2</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Zeno Farris</i></p> <p>Signature</p> <p>Zeno Farris</p> <p>Printed Name</p> <p>Mgr Operations Admin</p> <p>Title</p> <p>September 5, 2003</p> <p>Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>July 03, 2003</p> <p>Date Surveyed</p> <p>AWB</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Ronald J. Edson</i> 8/4/03</p> <p>03.11.0690</p> <p>Certificate No. RONALD J. EDSON 3238 GARY KILSON 12841</p>
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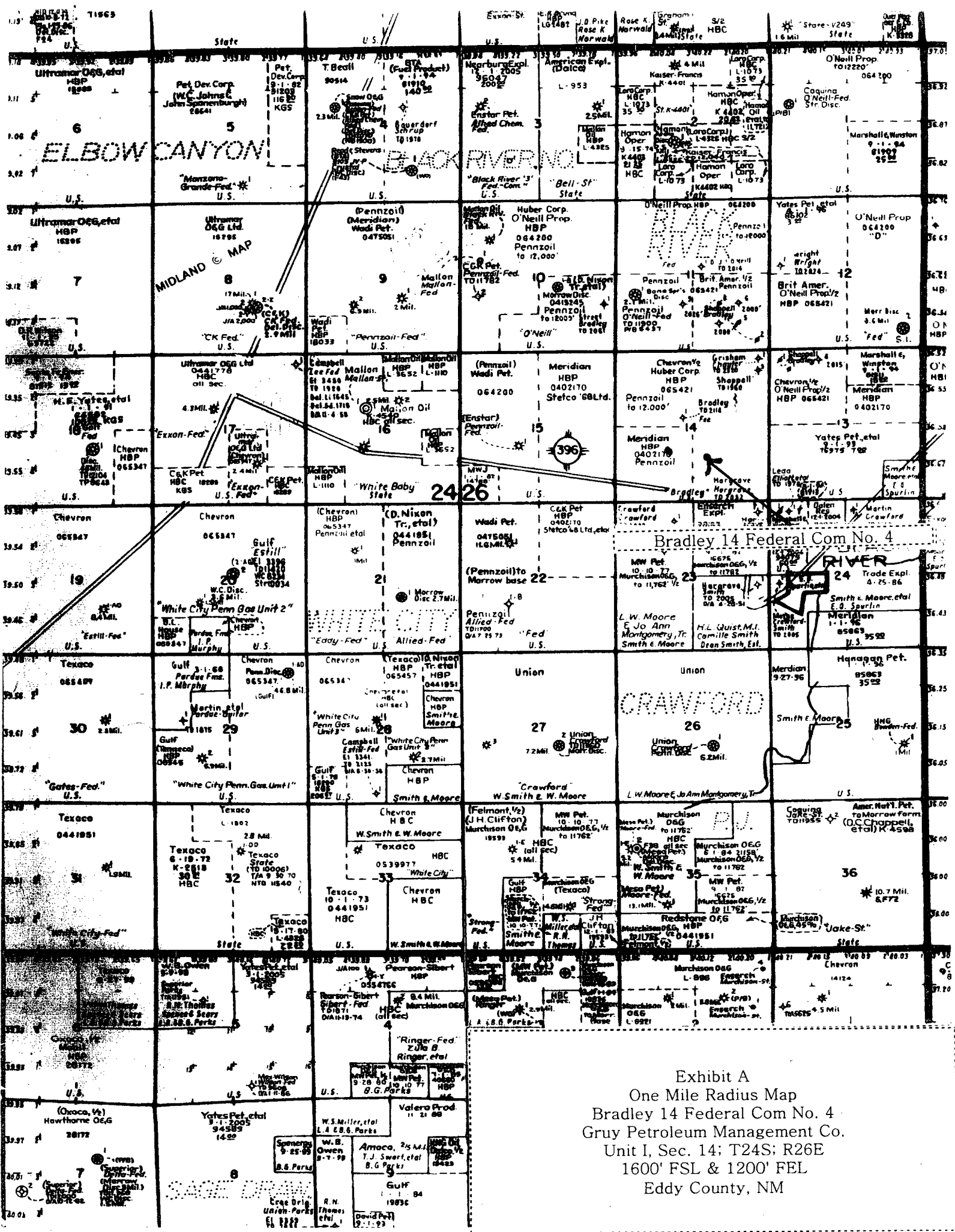
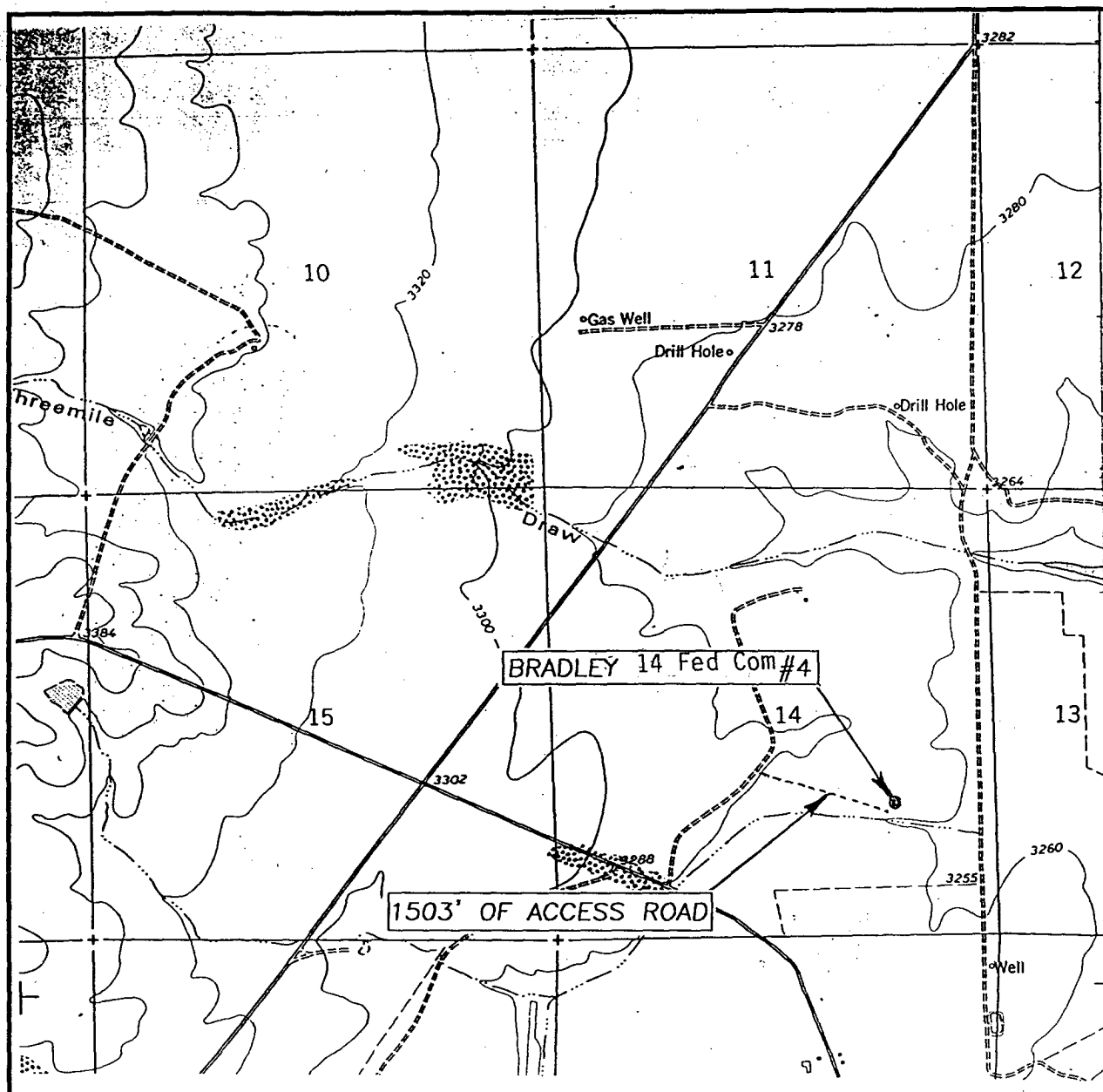


Exhibit A  
One Mile Radius Map  
Bradley 14 Federal Com No. 4  
Gruy Petroleum Management Co.  
Unit I, Sec. 14; T24S; R26E  
1600' FSL & 1200' FEL  
Eddy County, NM

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'  
BLACK RIVER VILLAGE, N.M.

SEC. 14 TWP. 24-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1600' FSL & 1200' FEL

ELEVATION 3265'

OPERATOR GRUY PETROLEUM MANAGEMENT CO.

LEASE BRADLEY FEDERAL COM.

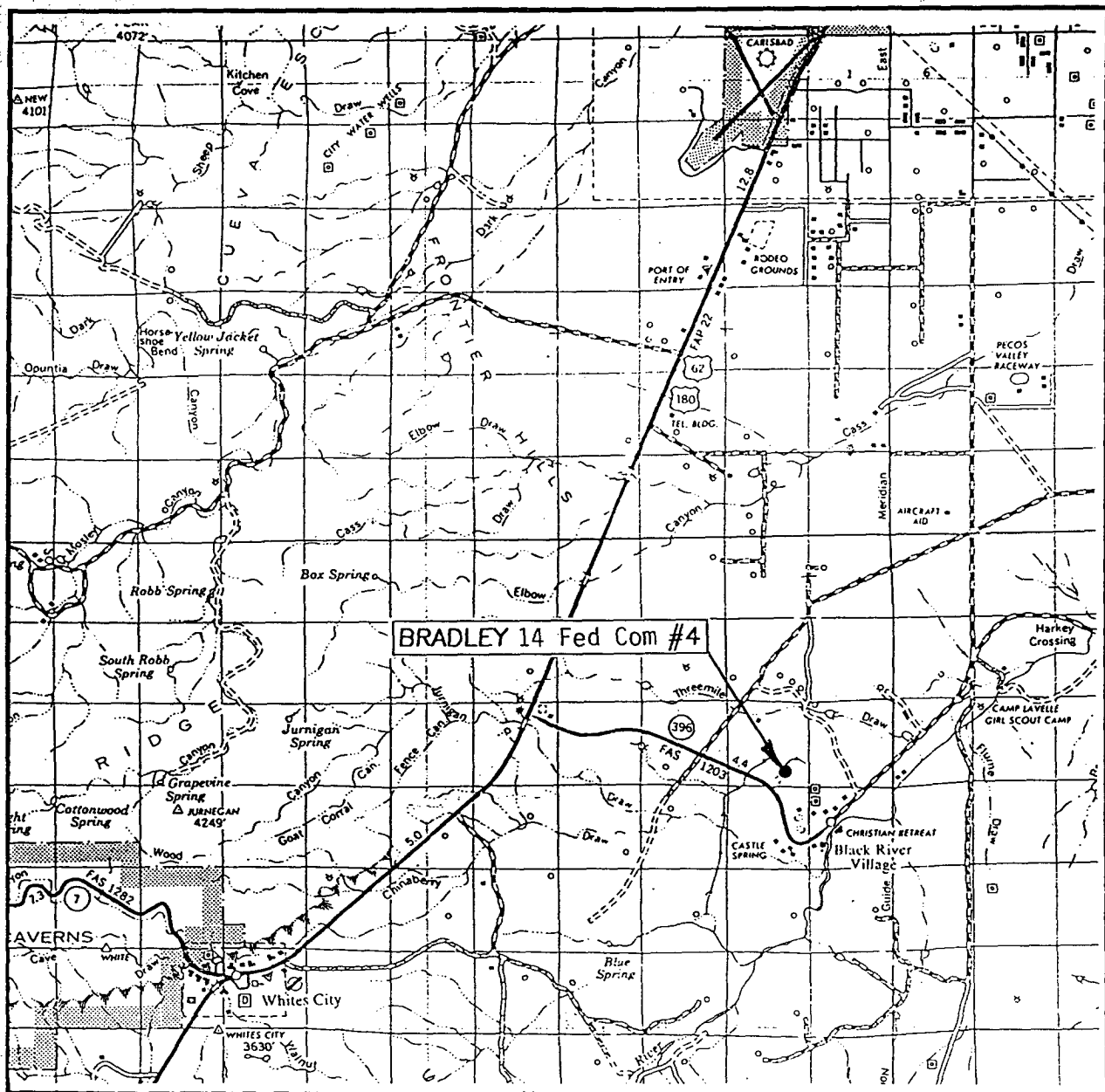
U.S.G.S. TOPOGRAPHIC MAP  
BLACK RIVER VILLAGE, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

Exhibit "B"



# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 14 TWP. 24-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1600' FSL & 1200' FEL

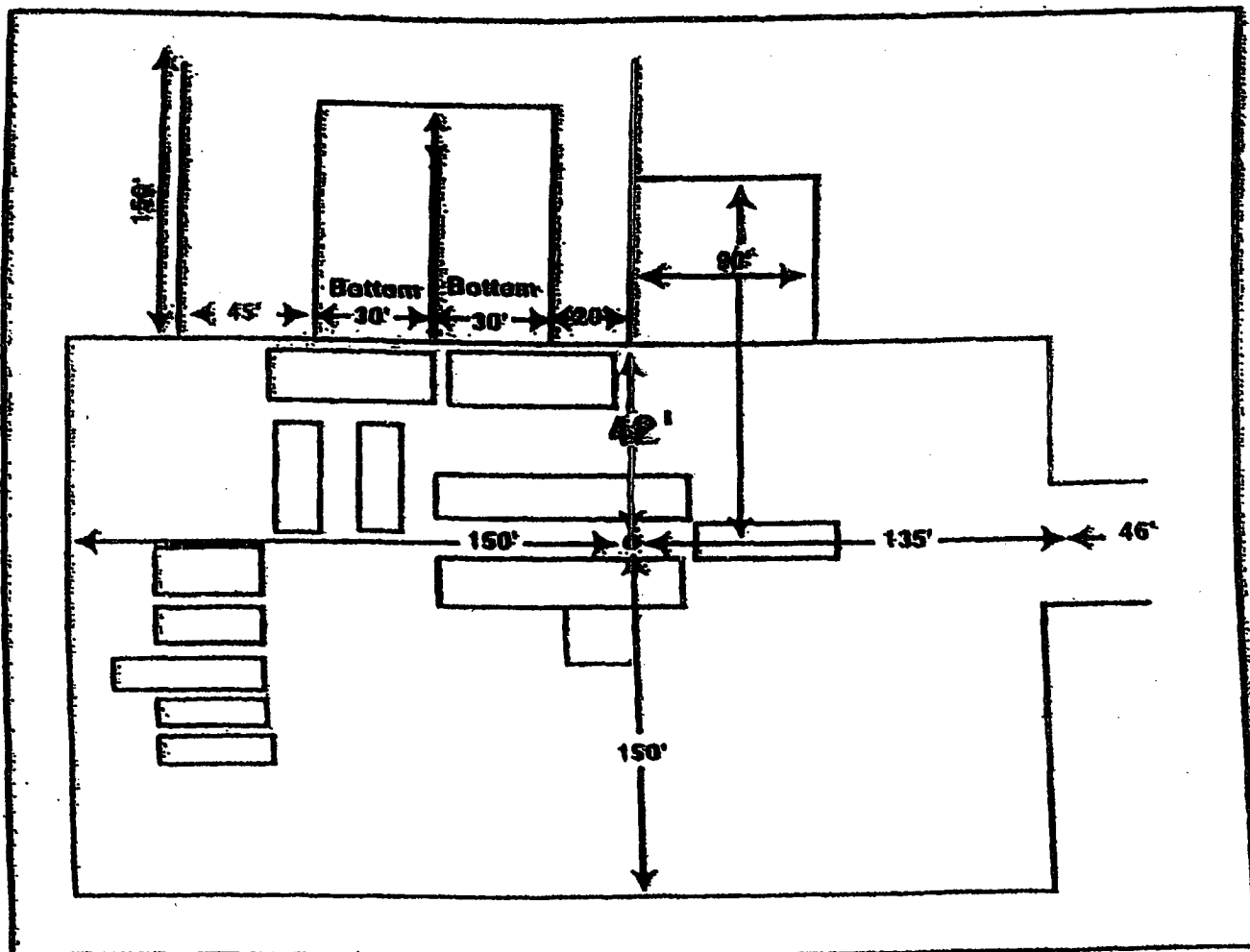
ELEVATION 3265'

OPERATOR GRUY PETROLEUM MANAGEMENT CO.

LEASE BRADLEY FEDERAL COM.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

Exhibit "C"



Rig 75

Exhibit D  
 Rig Layout Plan  
 Bradley 14 Federal Com No. 4  
 Gruy Petroleum Management Co.  
 Unit I, Sec. 14; T24S; R26E  
 1600' FSL & 1200' FEL  
 Eddy County, NM

