

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB NO. 1004-0136

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NMNM 91208 106 964

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

NMNM 106827 26601

8. FARM OR LEASE NAME, WELL NO.

Magnum Federal 5 Com No. 3

9. API WELL NO.

30-015- 32651

10. FIELD AND POOL, OR WILDCAT

Turkey Track, Morrow North

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

OR AREA

Sec. 5 T18S R31E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

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.)

660' FSL & 1650' FEL

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

6.2 miles Southeast of Loco Hills

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, T.O.

(Also to nearest drlg. unit line, if any)

990'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320.04

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

940'

19. PROPOSED DEPTH

12500'

20. ROTARY OR CABLE TOOLS

Rotary

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

3736'

22. APPROX. DATE WORK WILL START*

2-24-03

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	H-40 13 3/8"	48 #	425'	490 sx circulate
12 1/4"	J-55 9 5/8"	40 #	3200'	1200 sx circulate
7 7/8"	N-80/S-95 5 1/2"	17 #	12500'	1620 sx TOC 2700'

The proposed well will be drilled to a depth of 12500' and completed as a Turkey Track (Atoka/Morrow) or Shugart (Strawn) prod 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" 48 # H-40 casing should be tested at 70% of its maximum internal yield of 1730 # or 1211 #. During the running of the surface pipe we do not anticipate any pressures of its maximum internal yield of 1730 # or 1211 #. During the running of the surface pipe we do not anticipate any pressures

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.

SIGNED

Zeno Farris

TITLE

Mgr. Ops. Admin

DATE

01-21-03

(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

IS/ LESLIE A. THEISS

TITLE

FIELD MANAGER

DATE

FEB 20 2003

APPROVAL SUBJECT TO GENERAL STATE REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 86500	Pool Name Turkey Track Morrow (North)
Property Code	Property Name MAGNUM FEDERAL 5 COM.	Well Number 3
OGRID No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT CO.	Elevation 3736'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	5	18-S	31-E		660	SOUTH	710	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 320.04	Joint or Infill Y	Consolidation Code C	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

<p>LOT 4 39.97 Ac.</p> <p>LOT 3 39.99 Ac.</p> <p>LOT 2 40.01 Ac.</p> <p>LOT 1 40.03 Ac.</p> <p>Magnum Fed 5 Com 1</p> <p>1650</p> <p>1650</p> <p>3398</p> <p>DETAIL</p> <p>3735.7'</p> <p>3738.5'</p> <p>3738.0'</p> <p>3736.8'</p> <p>SEE DETAIL</p> <p>108'</p> <p>940'</p> <p>660'</p> <p>710'</p> <p>Magnum Fed 5 Com 2</p> <p>CONOCO BPL</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the 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>January 27, 2003</p> <p>Date</p> <p>SURVEYOR CERTIFICATION</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>JANUARY 17, 2003</p> <p>Date Surveyed</p> <p>Signature of Seal of Professional Surveyor</p> <p>NEW MEXICO</p> <p>03110086</p> <p>Certificate No. RONALD S. EDSON 3239</p> <p>GARY EDSON 12641</p>
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Magnum Fed 5 Com 3

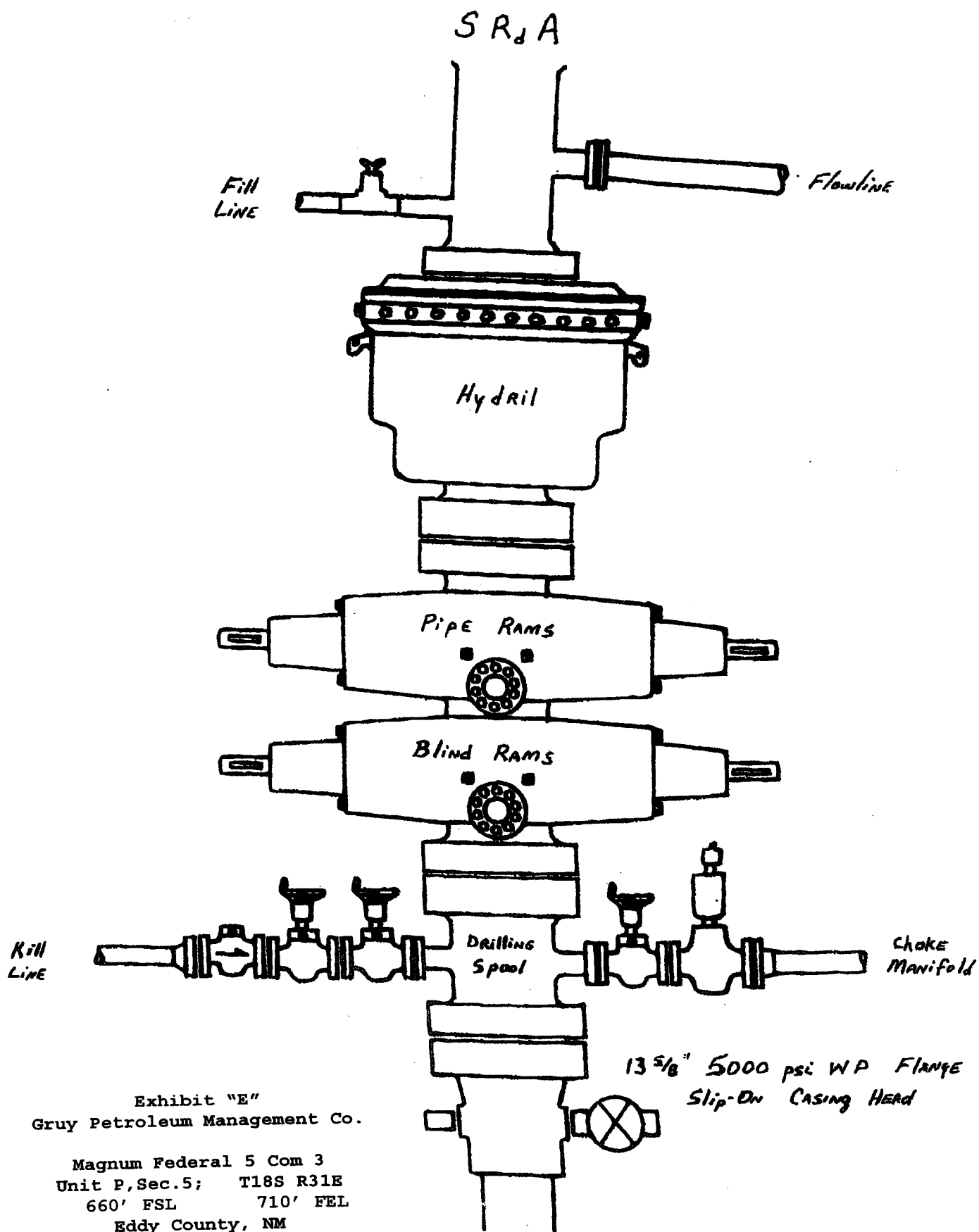


Exhibit "E"
Gruy Petroleum Management Co.

Magnum Federal 5 Com 3
Unit P, Sec. 5; T18S R31E
660' FSL 710' FEL
Eddy County, NM