

**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

1301 W. Grand Ave., 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

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-101

### APPLICATION FOR PERMIT TO DRILL

|  |                                 |                            |
|--|---------------------------------|----------------------------|
| Operator Name and Address<br>GRUY PETROLEUM MANAGEMENT CO.<br>PO Box 140907<br>Irving, TX 75014-0907 |                                 | OGRID Number<br>162683     |
|  |                                 | API Number<br>30-031-21056 |
| Property Code<br>32997   | Property Name<br>Roadside SF 19 | Well No.<br>001            |

#### Surface Location

| UL or Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County   |
|-----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| C         | 19      | 19N      | 05W   | C       | 825       | N        | 1844      | W        | McKinley |

#### Proposed Pools

|                              |
|------------------------------|
| WC19N5W19; MENELEE GAS 97309 |
|------------------------------|

|                       |                        |                                |                       |                                |
|-----------------------|------------------------|--------------------------------|-----------------------|--------------------------------|
| Work Type<br>New Well | Well Type<br>GAS       | Cable/Rotary                   | Lease Type<br>Private | Ground Level Elevation<br>6725 |
| Multiple<br>N         | Proposed Depth<br>3500 | Formation<br>Menefee Formation | Contractor            | Spud Date<br>10/15/2003        |

#### Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25     | 9.625       | 36               | 350           | 150             | 0             |
| Prod | 7.875     | 5.5         | 17               | 3500          | 900             | 0             |

#### Casing/Cement Program: Additional Comments

The proposed well will be a stratigraphic test. Subsequent to setting 8 5/8 casing, 2 1/2 cores will be retrieved continuously to TD. As soon as coring and logging operations are complete, the hole will either be plugged to surface, or 5 1/2 production casing will be set and the well completed as a Menefee producer. A 3000 psi BOP system will be installed prior to coring, and through the running of production casing.

#### Proposed Blowout Prevention Program

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Double Ram | 3000             | 3000          |              |

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Zeno Farris

Title: Manager Operations Administration

Date: 10/03/2003

Phone: 972-443-6489

### OIL CONSERVATION DIVISION

Electronically Approved By: Frank Chavez

Title: District Supervisor

Approval Date: 10/15/2003 Expiration Date: 10/15/2004

Conditions of Approval:  
No Conditions

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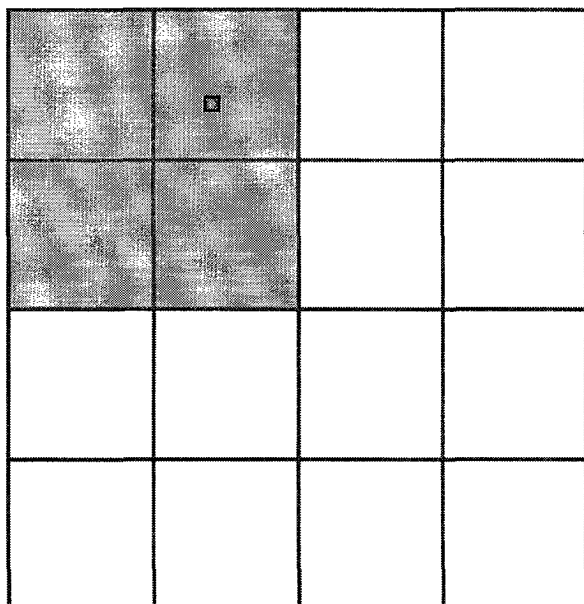
Form C-102

### WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |  |                    |
|----------------------------|--|--------------------|
| API Number<br>30-031-21056 | Pool Name<br>WC19N5W19; MENELEE GAS            | Pool Code<br>97309 |
| Property Code<br>32997     | Property Name<br>Roadside SF 19                | Well No.<br>001    |
| OGRID No.<br>162683        | Operator Name<br>GRUY PETROLEUM MANAGEMENT CO. | Elevation<br>6725  |

### Surface And Bottom Hole Location

|                        |               |                 |              |                    |                  |               |                   |               |                    |
|------------------------|---------------|-----------------|--------------|--------------------|------------------|---------------|-------------------|---------------|--------------------|
| UL or Lot<br>C         | Section<br>19 | Township<br>19N | Range<br>05W | Lot Idn<br>C       | Feet From<br>825 | N/S Line<br>N | Feet From<br>1844 | E/W Line<br>W | County<br>McKinley |
| Dedicated Acres<br>160 |               | Joint or Infill |              | Consolidation Code |                  | Order No.     |                   |               |                    |



#### OPERATOR CERTIFICATION

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

Electronically Signed By: Zeno Farris

Title: Manager Operations Administration

Date: 10/03/2003

#### 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: Gerald Huddleston

Date of Survey: 07/31/2003

Certificate Number: 6844

## Permit Comments

**Operator: GRUY PETROLEUM MANAGEMENT CO. , 162683**

**Well: Roadside SF 19 #001**

| User Name | Comment                                     | Comment Date |
|-----------|---|--------------|
| SHAYDEN   | Surface casing changed at operators request | 10/9/2003    |