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

APPLICATION FOR PERMIT TO DRILL

GRUY PETROLEU	Operator Name and Address GRUY PETROLEUM MANAGEMENT CO. PO Box 140907 Irving, TX 75014-0907					
PO Box 140907 Irving, TX 75014-						
Property Code 33356	Property Name NW Hospah 29 Fee	Well No. 001				

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
М	29	18N	09W	М	825	S	855	W	McKinley

Proposed Pools

WC CHACO SLOPE CREVASSE CANYON GAS 97331

	Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 6830
***************************************	Multiple N	Proposed Depth 3000	Formation Crevasse Canyon Formation	Contractor	Spud Date 02/05/2004

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	250	0
Prod	7.875	5.5	15.5	3000	550	0

Proposed Blowout Prevention Program

-	Туре	Working Pressure	Test Pressure	Manufacturer
	Hydril	3000	3000	Hydril
	Blind	3000	3000	Townsend

I hereby certify that the information given above is true and	OIL CONSERVATION DIVISION			
complete to the best of my knowledge and belief.	Electronically Approved By: Frank Chavez			
Electronically Signed By: Zeno Farris	Title: District Supervisor			
Title: Manager Operations Administration	Approval Date: 02/02/2004 Expiration Date: 02/02/2005			
Date: 01/27/2004 Phone: 972-443-6489	Conditions of Approval: No Conditions			

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Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-031-21059	Pool Name WC CHACO SLOPE CREVASSE CANYON GAS	Pool Code 97331
Property Code 33356	Property Name NW Hospah 29 Fee	Well No.
OGRID No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT CO.	Elevation 6830

Surface And Bottom Hole Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	29	18N	09W	M	825	S	855	W	McKinley
	ed Acres	Joint or	Infill	Consoli	dation 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: 01/27/2004

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: 01/22/2004 Certificate Number: 6844