

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
Permit 1484

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address GRUY PETROLEUM MANAGEMENT CO. PO Box 140907 Irving, TX 75014-0907		OGRID Number 162683
		API Number 30-015-33627
Property Code 34239	Property Name GOLDENEYE 26 FEDERAL COM	Well No. 002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	26	25S	26E	C	330	N	1450	W	Eddy

Bottom Holes

Pool: WC COTTONWOOD DRAW; MORROW (G) 97377									
UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	26	25S	26E	C	850	N	1450	W	Eddy

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 3240
Multiple N	Proposed Depth 13000	Formation Morrow	Contractor	Spud Date 10/25/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	200	350	0
Int1	12.25	9.625	40	1900	950	0
Int2	8.75	7	26	10000	1250	0
Liner1	6.125	4.5	11.6	13000	235	9500

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydri1	5000	5000	

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: 09/10/2004

Phone: 972-443-6489

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 09/16/2004

Expiration Date: 09/16/2005

Conditions of Approval:

There are conditions. See Attached.