



ETRA 10/4/2005 10:51:10 AM

Gruy Petroleum Management Company

RHODES YATES-SEVEN RIVERS GAS POOL

Yates Net Porosity Isopach ($\geq 6\%$)

Simultaneous Dedication Application

Rhodes Federal Unit Wells 223 & 226

POSTED WELL DATA

Operator

Well Name

● Well Number

WELL - TD

REMARKS

Lea County, New Mexico

Contour Interval = 25 feet
Showing 160 Acre Proration Unit Outlines

By: K. T. Nordstog

0 2,000 4,000
FEET

October 4, 2005

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13567-13572 Exhibit No. 12

Submitted by:

GRUY PETROLEUM MANAGEMENT CO.

Hearing Date: October 20, 2005

OPERATOR'S COPY SUBMIT IN TRIPLICATE*

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on
reverse side)

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NMLC030174A	
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> WELL WELL OTHER ZONE SINGLE <input checked="" type="checkbox"/> MULTIPLE <input type="checkbox"/>		6. IF INDIAN, ALLOTES OR TRIBE NAME	
2. NAME OF OPERATOR Gruy Petroleum Management Co.		7. UNIT AGREEMENT NAME Rhodes Federal Unit	
3. ADDRESS AND TELEPHONE NO. P.O. Box 140907 Irving TX 75014 972-401-3111		8. FARM OR LEASE NAME WELL NO. Rhodes Federal Unit No. 226	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *) 1980' FNL & 1550' FEL		9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 5 miles southeast of Jal, New Mexico		10. FIELD AND POOL OR WILDCAT Rhodes; Yates-7 Rivers (Gas)	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, T.O. (Also to nearest drlg unit line, if any) 1550'		11. SEC. T. R. M. BLOCK AND SURVEY OR AREA 22-T26S-R37E	
16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1224'		12. COUNTY OR PARISH Lea	
17. NO. OF ACRES IN LEASE 640		13. STATE NM	
18. NO. OF ACRES ASSIGNED TO THIS WELL. 160		19. PROPOSED DEPTH 4000'	
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 2979' GR	
22. APPROX. DATE WORK WILL START* 6-30-05		23. CAPTAN CONTROLLED WATER BASIN	

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55 8 5/8"	24#	1050'	600 sx circ to surf
7 7/8"	J-55 5 1/2"	15.5#	4000'	1150' sx circ to surf

The proposed well will be drilled to a depth of 4000' and completed as a Rhodes; Yates-7 Rivers (Gas) producer.
From the base of the surface pipe through the running of production casing, the well will be equipped with a 3000 psi BOP system.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

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 Zeno Fami TITLE Mgr. Ops. Admin. DATE 05-23-05

(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 Joe D. Lora TITLE Acting FIELD MANAGER DATE 8/8/05

*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 FOR 1 YEAR

DISTRICT I

1625 N. FRENCH DR. HOBBES, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, 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 Department

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

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 Rhodes; Yates-7 Rivers (Gas)
Property Code	Property Name RHODES FEDERAL UNIT	Well Number 226
OGRID No 162683	Operator Name GRUY PETROLEUM MANAGEMENT COMPANY	Elevation 2983'

Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	22	26-S	37-E		1980	NORTH	1550	EAST	LEA

Bottom Hole Location If Different From Surface

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 160	Joint or Infill Y	Consolidation Code U	Order No.
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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>GEODETIC COORDINATES NAD 27 NME Y=376813.1 N X=867707.5 E LAT.=32°01'49.52" N LONG.=103°08'48.50" W</p> <p>Rhodes Fed Unit #223 Rhodes Fed Unit #226</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> Signature Zeno Farris Printed Name Manager Operations Admin Title May 24, 2005 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>MAY 6, 2005</p> <p>Date Surveyed Signature of Professional Surveyor Professional Surveyor NEW MEXICO May 6, 2005 05.11.0688 Certification No. 12641</p>