



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury
Cabinet Secretary

2001 APR 10 P 1:23

Lori Wrotenbery

Director

Oil Conservation Division

Bureau of Land Management
620 East Green Street
Carlsbad, NM 88220-6292
Attn: Craig Cranston

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: GRUY PETROLEUM CORPORATION
LEASE NAME: STATE '14' COM. #2
LOCATION: SEC. 14, TOWNSHIP 19 SOUTH, RANGE 29 EAST,
2040' FNL & 560' FWL, Surface Location
1330' FSL & 1650' FWL, Bottom Hole Location
EDDY COUNTY, NM, NMPM



PROPOSED DEPTH: 11,500'

Dear Craig or To Whom It May Concern,

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuit to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this application is within an established Life-of-Mine Reserve area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by this order.

Thank you for your assistance.

Sincerely,

Bryan G. Arrant
Bryan G. Arrant
PES, District II Artesia NMOCD

In LMR	Yes _____	No <u>*</u>
In Buffer Zone	Yes _____	No <u>*</u>

Comments:

THE LOCATION IS 2615' FROM OPEN MINE LAND. THE LOCATION IS HELD IN 10.
AN EXISTING WELL DRILLED TO A DEPTH OF 11,556'. IF THIS WAS ON FEDERAL LAND IT WOULD BE
Signature: Craig A. Cranston Date: 4-10-01