

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Gruy Petroleum Management Co. P.O. Box 140907, Irving TX 75014		<sup>2</sup> OGRID Number 162683
		<sup>3</sup> API Number 30-025-20961
<sup>4</sup> Property Code 29819	<sup>5</sup> Property Name Texaco Cities Service State Com	<sup>6</sup> Well No. 1
<sup>9</sup> Proposed Pool 1 Lusk, Bone Spring, South		<sup>10</sup> Proposed Pool 2 41460

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	32	19S	32E		1980	North	1980	East	Lea

**Proposed Bottom Hole Location If Different From Surface**

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

**Additional Well Information**

<sup>11</sup> Work Type Code Plug Back	<sup>12</sup> Well Type Code Oil	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 3537
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation Bone Spring	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
Depth to Groundwater > 100'		Distance from nearest fresh water well > 200'		Distance from nearest surface water > 1000'
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
15"	11 3/4"	23.72 & 31.2	906'	700 sx	
10 5/8"	8 5/8"	24 & 32	3880'	750 sx	
7 7/8"	2 7/8"	6.5	12995'	1250 sx	
7 7/8"	2 7/8"	6.5	12987'	1250 sx	

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Strawn well TA with CIBP set in 12995' 2 7/8" string at 11250 w 35' cmt. PBTD 11215'

Morrow well TA with CIBP set at 12250'. PBTD 12250'

Propose to test Bone Spring down Strawn TA with perfs at 9330' - 9400' per attached procedure.

Steel Tank for pit per 2F

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

Plugback

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> NA		<b>OIL CONSERVATION DIVISION</b>	
Printed name: Zeno Farris <i>Zeno Farris</i>		Approved by: <i>Chris Williams</i>	
Title: Manager Operations Administration		Title: DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address: zfarris@magnumhunter.com		Approval Date: DEC 29 2004	
Date: 12-13-04		Expiration Date:	
Phone: 972-443-6489		Conditions of Approval Attached <input type="checkbox"/>	

**RECOMMENDED WELLWORK PROCEDURE  
TEXACO CITIES SERVICE STATE COM #1  
LUSK  
LEA COUNTY, NEW MEXICO**

**WELL DATA**

**SPUD DATE:** 5/8/64  
**PERM. ZERO PT.:** KB=3557.3', GL=3540'  
**TOTAL DEPTH:** 13,300 '  
**SURFACE CSG:** 11-3/4", 31#, X-42 @ 906'  
**INTER CSG :** 8-5/8", 24#, J-55 @ 3880'  
**EAST PROD CSG:** 2-7/8", 6.5#, J-55 @ 12987'  
**WEST PROD CSG:** 2-7/8", 6.5#, J-55 @ 12995'  
**EAST PBTD:** CIBP @ 12250'  
**WEST PBTD:** CIBP @ 11250' w/ 35' cmt on top  
**PROP PERFS:** 9330-9340, 9350-9360, 9390-9400'  
5

*all of this is  
Lower Bone Springs formation  
JE*

**OBJECTIVE:** Both the Strawn and Morrow have been TA'd in this dual csg string well. Recommend testing the Lower Bone Springs.

**\*\*\*\*\* SAFETY IS TOP PRIORITY \*\*\*\*\***

**PROCEDURE:**

1. Load both strings of csg.
2. MIRU e-line on west string of csg. Install lubricator. RIH w/ GR/CCL tools to 9550'. Run strip log 9550- 8950' to verify perfs and get on depth. Send strip log in to Midland.
3. RIH w/ 2-1/8", decentralized, 0 deg phased strip guns w/ magnetic orienting device. Perf Lower Bone Springs 9330-9340, 9350-9365 and 9390-9400', 2 spf by Schlumberger Sonic-Gamma Ray Log dated 7/7/64. RD e-line. (Watch east string of csg for indication of accidental perforating.)
4. Open well to flow.
5. MIRU swab unit and swab well as needed.
6. If necessary, acidize well w/ 3000 gals 15% NEFE HCL + 100 BS. Swab & flow back load.
7. Open well and flow to test.
8. Potential test well.

## NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-123  
Revised 5/1/57

## WELL LOCATION AND ACREAGE DEDICATION PLAT

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

## SECTION A

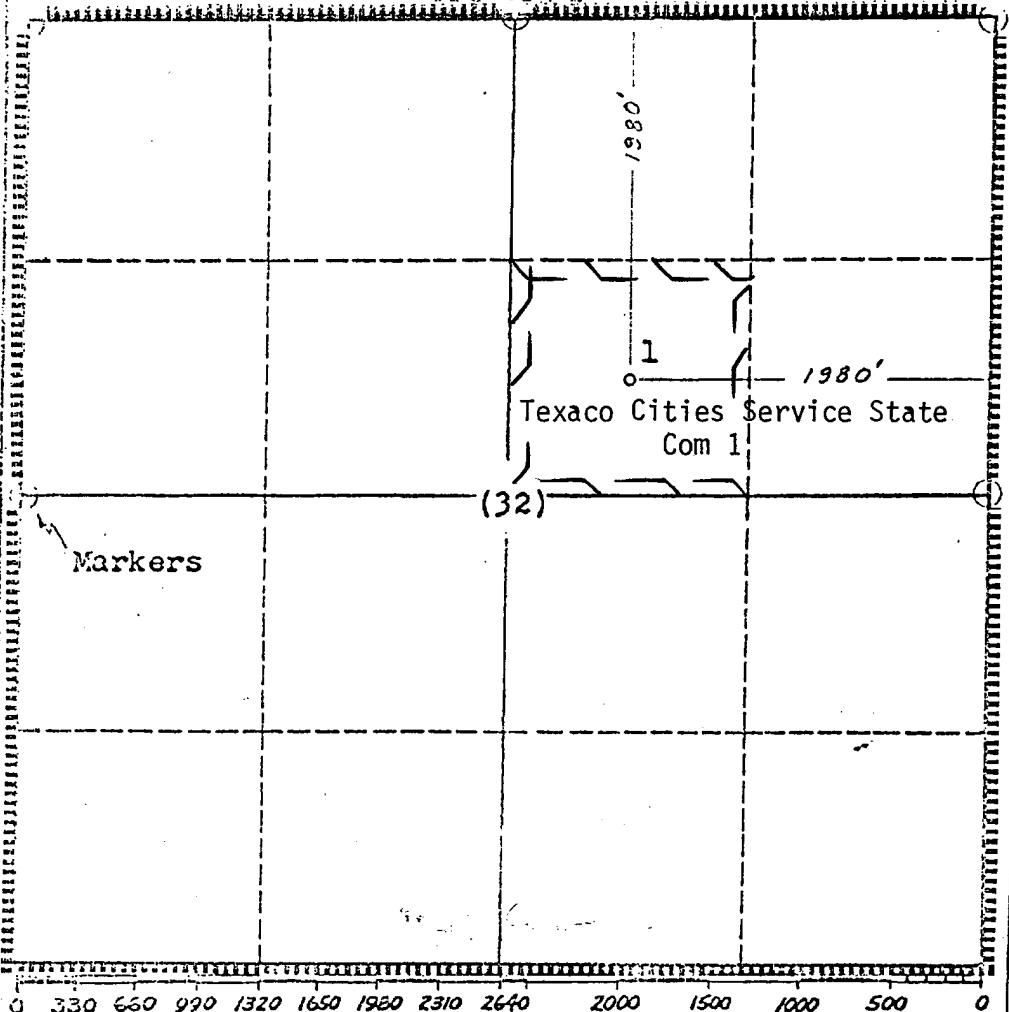
JUL 24 2 37 PM '04

Operator Gruy Petroleum Management Co.		Lease TEXACO-Cities Service State		Well No. 1
Unit Letter G	Section 32	Township 19 South	Range 32 East	County Lea
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line Sec. 32				
Ground Level Elev. 3537	Producing Formation Bone Spring	Pool Lusk; Bone Spring, South	Dedicated Acreage: 40 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES \_\_\_\_\_ NO X. ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES X NO \_\_\_\_\_. If answer is "yes," Type of Consolidation Operating Agreement
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

## SECTION B



## CERTIFICATION

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

Zeno Farris

Name  
Zeno Farris  
Position  
Manager Operations Admin  
Company  
Gruy Petroleum Management  
Date  
December 14, 2004

I hereby certify that the well location shown on the plat in SECTION B 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 knowledge and belief.

Date Surveyed  
4/21/64  
Registered Professional Engineer  
and/or Land Surveyor  
J. J. Velten  
Certificate No.  
8174