

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 10241

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 30-015-34120
Property Code 34820	Property Name CP STATE COM	Well No. 001

Surface Location

UL or Lot P	Section 19	Township 17S	Range 29E	Lot Idn P	Feet From 1310	N/S Line S	Feet From 660	E/W Line E	County Eddy
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Proposed Pools

EMPIRE; MORROW, SOUTH (GAS) 76400

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3655
Multiple N	Proposed Depth 12000	Formation Morrow	Contractor	Spud Date 06/15/2005

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	500	490	0
Int1	12.25	9.625	40	4000	1200	0
Prod	7.875	5.5	17	12000	1620	1620

Casing/Cement Program: Additional Comments

Surface casing will be set 25 into the top of the Rustler. Estimated to be between 350 and 500.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	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: 05/12/2005

Phone: 972-443-6489

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 05/18/2005 Expiration Date: 05/18/2006

Conditions of Approval:
There are conditions. See Attached.