

ETRA 10/4/2005 10:09:53 AM

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 13567-13572 Exhibit No. 16  
Submitted by:  
**GRUY PETROLEUM MANAGEMENT CO.**  
Hearing Date: October 20, 2005

## GRUY PETROLEUM MANAGEMENT COMPANY

### RHODES YATES-SEVEN RIVERS GAS POOL

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

Simultaneous Dedication Application

Cagle C Fed. Com #6 and RFU #102

#### 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

New Mexico *Reubmittal*  
1625 N. **1625 N. SUBMIT IN TRIPLICATE\***  
**Hobbs, NM 88406**  
(Other instructions on reverse side)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.

LC-030176B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO.

Cagle C Federal Com No. 6 34913

9. API WELL NO.

30 025 37342

10. FIELD AND POOL OR WILDCAT

Rhodes; Yates-7 Rivers (Gas) 82810

11. SEC. T. R. M. BLOCK AND SURVEY

OR AREA

10-I26S-R37E

12. COUNTY OR PARISH

Lea

13. STATE

NM

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

1b. TYPE OF WELL

OIL ☐ GAS ☒  
WELL WELL

SINGLE ☒ MULTIPLE ☐  
OTHER ZONE ZONE

2. NAME OF OPERATOR

Gruy Petroleum Management Co. 162683

3. ADDRESS AND TELEPHONE NO.

P.O. Box 140907 Irving IX 75014 972-401-3111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

660' FNL & 1977' FWL Section 10-26S-37E

"C"

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approximately 5 miles south of Jal, New Mexico

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST

PROPERTY OR LEASE LINE, T.O.  
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

600

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT

1864'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

21. APPROX. DATE WORK WILL START

6-30-05

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

2987' GR

PROPOSED CASING AND CEMENTING PROGRAM

*Controlled Water Basin*

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55 8 5/8"	24#	750' 1010'	650 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.

SIGNED

*Zeno Farris*

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

/s/ Tony J. Herrell

TITLE

FIELD MANAGER

DATE

JUN 28 2005

\*See Instructions On Reverse Side

**APPROVAL FOR 1 YEAR**

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.

DISTRICT I  
1625 N. FRENCH DR., BOBBS 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	Well Number
	CAGLE C FEDERAL COM	6
OGRID No.	Operator Name	Elevation
162683	GRUY PETROLEUM MANAGEMENT COMPANY	2987'

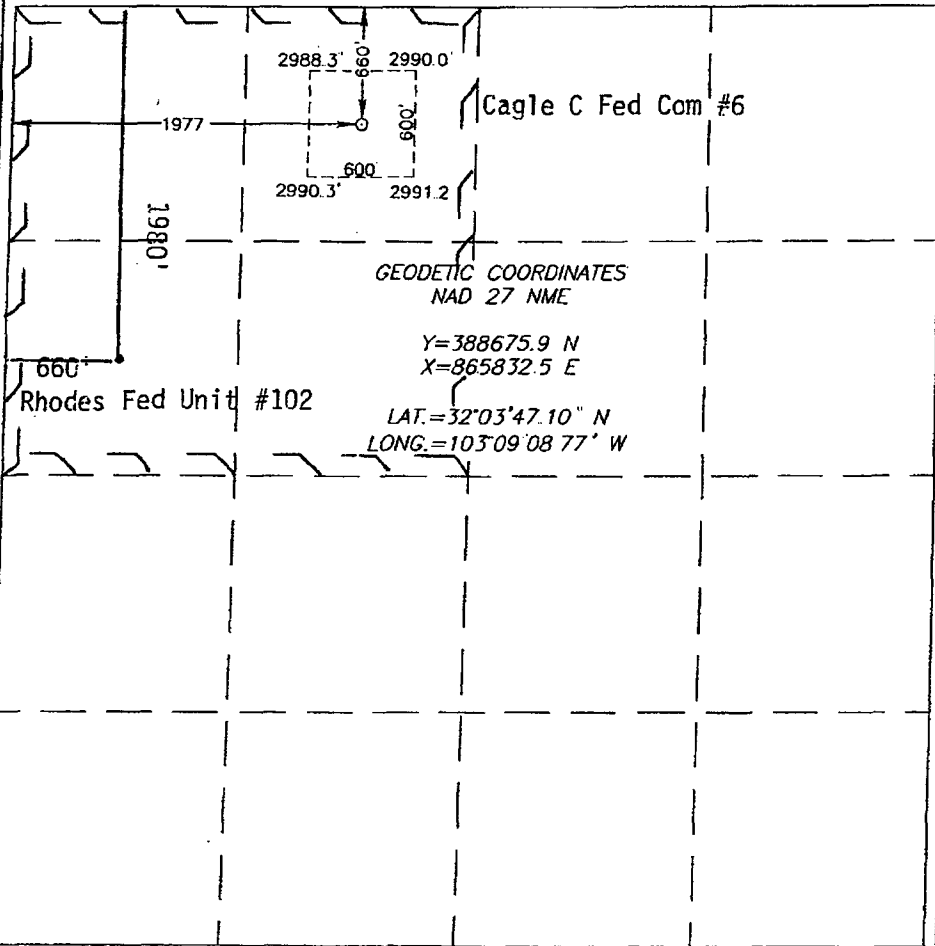
Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	10	26-S	37-E		660	NORTH	1977	WEST	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	Joint or Infill	Consolidation Code	Order No						
160	Y	C							

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><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Zeno Farris</u> Signature</p> <p><u>Zeno Farris</u> Printed Name</p> <p><u>Manager Operations Admin</u> Title</p> <p><u>May 24, 2005</u> Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></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><u>MAY 5, 2005</u></p> <p>Date Surveyed _____ LA</p> <p>Signature of Geophysicist _____</p> <p>Professional Surveyor</p> <p><u>GARY E. EDSON</u> NEW MEXICO 05.11.0692 12841</p>