

# OPERATOR'S COPY

Form 3160-3  
(July 1992)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*

(Other instructions on  
reverse side)

FORM APPROVED

OMB NO 1004-0136

Expires: February 28 1995

### APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.

NMLC030174A

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Rhodes Federal Unit

8. FARM OR LEASE NAME, WELL NO.

Rhodes Federal Unit No. 227

9. API WELL NO.

10. FIELD AND POOL OR WILDCAT

Rhodes; Yates-7 Rivers (Gas)

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

OR AREA

22-T26S-R37E

12. COUNTY OR PARISH

Lea

13. STATE

NM

12. TYPE OF WORK

DRILL ☒

DEEPEN ☐

15. TYPE OF WELL

OIL ☐ GAS ☒  
WELL WELL

SINGLE ☒ MULTIPLE ☐  
OTHER ZONE ZONE

2. NAME OF OPERATOR

Gruy Petroleum Management Co.

3. ADDRESS AND TELEPHONE NO.

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

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

1980' FNL & 990' FWL

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

Approximately 5 miles southeast of Jal, New Mexico

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, T.O.

(Also to nearest drig. unit line, if any) 990'

16. NO. OF ACRES IN LEASE

640

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

1650'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

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

2994' GR

CAPTAN CONTROLLED WATER BASIN

22. APPROX. DATE WORK WILL START\*

When Approved

### 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#	750' 1060' 555	600 sx circ to surf
7 7/8"	J-55 5 1/2"	15.5#	4000'	1000 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 Fournier*

TITLE

Mgr. Ops. Admin.

DATE

05-23-05

(The 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

*J. A. Hering*

TITLE

FIELD MANAGER

DATE

7/13/05

\*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.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13567-13572 Exhibit No. 2

Submitted by:

GRUY PETROLEUM MANAGEMENT CO.

Hearing Date: October 20, 2005

APPROVAL FOR 1 YEAR

## DISTRICT I

1625 N. FRENCH DR., ROSBES, 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 227
OGRID No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT COMPANY	Elevation 2990'

## Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	22	26-S	37-E		1980	NORTH	990	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 160'	Joint or Infill Y	Consolidation Code U	Order No.						

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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  <i>Zeno Farris</i> Signature Zeno Farris Printed Name Manager Operations Admin Title May 24, 2005 Date
	<b>SURVEYOR CERTIFICATION</b>  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.  MAY 6, 2005 Date Surveyed Signature & Seal Professional Surveyor GARY EDISON NEW MEXICO 05.11.0689 Certificate No. GARY EDISON 12641
	LA
	12641

OPERATOR'S COPY SUBMIT IN TRIPLICATE\*

FORM APPROVED  
OMB NO. 1004-0136

Expires: February 28, 1993

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

(Other instructions on  
reverse side)

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.

NMLC030174A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Rhodes Federal Unit

8. FARM OR LEASE NAME WELL NO.

Rhodes Federal Unit No. 226

9. API WELL NO.

10. FIELD AND POOL OR WILDCAT

Rhodes; Yates-7 Rivers (Gas)

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

OR AREA

22-126S-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.

3. ADDRESS AND TELEPHONE NO.

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

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

1980' FNL & 1550' FEL

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

Approximately 5 miles southeast of Jal, New Mexico

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, T.O.  
(Also to nearest drg unit line, if any)

1550'

16. NO. OF ACRES IN LEASE

640

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.

1224'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

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

2979' GR

CAPITAN CONTROLLED WATER BASIN

22. APPROX. DATE WORK WILL START\*

6-30-05

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. Lee TITLE 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

1225 N. FRENCH DR. HOBBBS, 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.						

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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  <i>Zeno Farris</i> Signature Zeno Farris Printed Name Manager Operations Admin Title May 24, 2005 Date
	<b>SURVEYOR CERTIFICATION</b>  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.  MAY 6, 2005 Date Surveyed Signature & Seal of Professional Surveyor 
	Date Surveyed Signature & Seal of Professional Surveyor 
	Certificate No. GARY EIDSON 12841

# OPERATOR'S COPY

Form 3180-3  
(July 1992)

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 ☒

DEEPEN ☐

1b. TYPE OF WELL

OIL ☐ GAS ☒  
WELL WELL

SINGLE ☒ MULTIPLE ☐  
OTHER ZONE ZONE

2. NAME OF OPERATOR

Gruy Petroleum Management Co

3. ADDRESS AND TELEPHONE NO

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

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

660' FNL & 1650' FEL

5. LEASE DESIGNATION AND SERIAL NO

NMLC 030176-A

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Rhodes Federal Unit

8. FARM OR LEASE NAME WELL NO.

Rhodes Federal Unit No. 98

9. API WELL NO

10. FIELD AND POOL OR WILDCAT

Rhodes; Yates-7 Rivers (Gas)

11. SEC T R M BLOCK AND SURVEY

OR AREA

Section 9-T26S-R37E

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

Approximately 4 miles south of Jal, New Mexico

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, T.O.

(Also to nearest drg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

160

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

1422'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

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

2980' GR

22. APPROX. DATE WORK WILL START\*

01-01-06

### 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#	975' 1050' JSS	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 Farris TITLE Mgr. Ops. Admin. DATE 09-02-05

(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 [Signature] TITLE Acting FIELD MANAGER

DATE

10/12/05

\*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

# State of New Mexico

Energy Minerals and Natural Resources Department

## DISTRICT I

1625 N. FRANCH DR. HOBBS, 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

## 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
	RHODES FEDERAL UNIT	98
OCRID No.	Operator Name	Elevation
162683	GRUY PETROLEUM MANAGEMENT CO	2980'

#### Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	9	26-S	37-E		660	NORTH	1650	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	Joint or Infill	Consolidation Code	Order No.						
160	Y	U							

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

#### OPERATOR CERTIFICATION

I hereby certify the the information  
contained herein is true and complete to the  
best of my knowledge and belief.

*Zeno Farris*

Signature

Zeno Farris

Printed Name

Mgr Operations Admin

Title

September 2, 2005

Date

#### SURVEYOR CERTIFICATION

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.

AUGUST 17, 2005

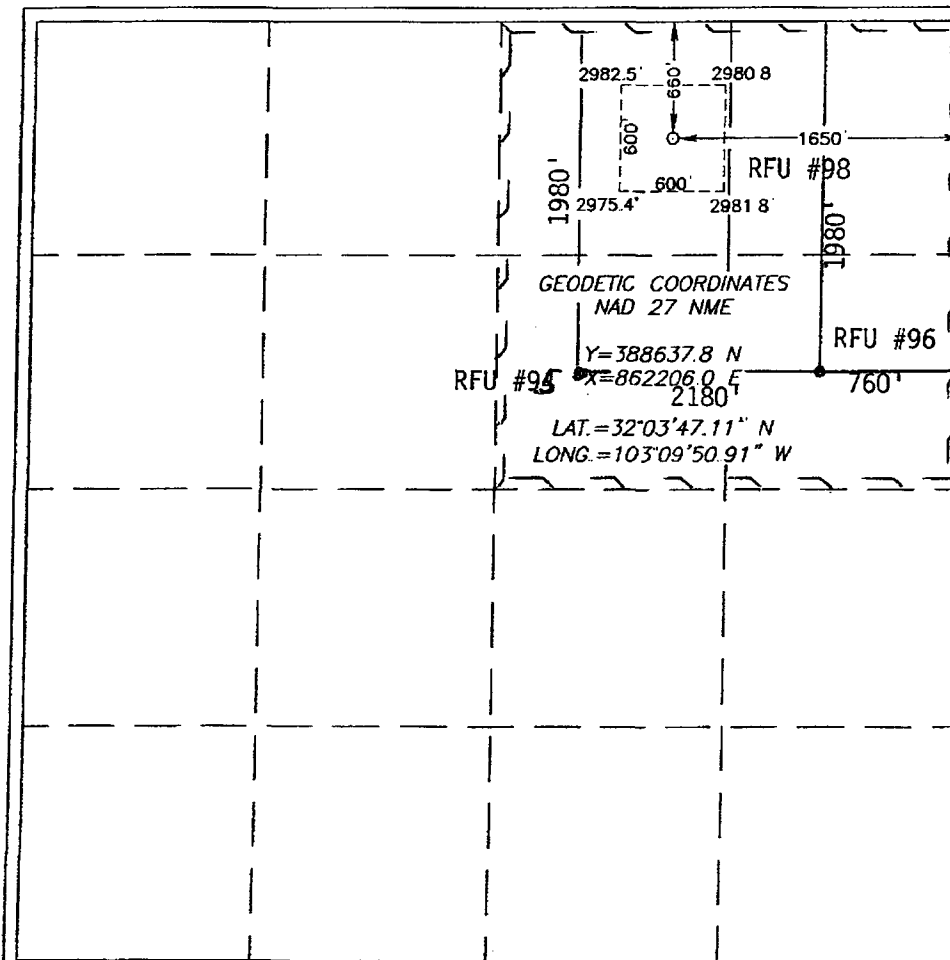
Date Surveyed

LA

Signature & Seal  
Professional Surveyor

*GARY EIDSON*  
GARY EIDSON  
NEW MEXICO  
REGISTERED PROFESSIONAL SURVEYOR  
85.11.1257  
8/22/05

Certificate No. GARY EIDSON 12641



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*

(Other instructions on  
reverse side)

FORM APPROVED

OMB NO. 1004-0136

Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

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.

3. ADDRESS AND TELEPHONE NO.

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

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

660' FSL & 660' FWL

5. LEASE DESIGNATION AND SERIAL NO.

NMLC 030177-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Rhodes Federal Unit

8. FARM OR LEASE NAME, WELL NO.

Rhodes Federal Unit No. 56

9. API WELL NO.

10. FIELD AND POOL OR WILDCAT

Rhodes; Yates-7 Rivers (Gas)

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

OR AREA

Section 5-T26S-R37E

12. COUNTY OR PARISH

Lea

13. STATE

NM

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

Approximately 3 miles south of Jal, New Mexico

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, T.O.  
(Also to nearest drif. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

800

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

1832'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

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

2972' GR

22. APPROX. DATE WORK WILL START\*

11-01-05

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#	975'	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.

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 Fourn TITLE Mgr. Ops. Admin. DATE 08-04-05

(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 \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*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.

# State of New Mexico

## DISTRICT I

1625 N. FRANCH DR., ROSS, NM 88240

Energy Minerals and Natural Resources Department

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Brazos Rd. Aztec, NM 87410

## 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

## DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

## 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
	Rhodes Federal Unit	56
GRID No.	Operator Name	Elevation
162683	Gruy Petroleum Mgmt. Co.	2972'

### Surface Location

UI or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	5	26-S	37-E		660	SOUTH	660	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	U							

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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  <u>Zeno Farris</u> Signature <u>Zeno Farris</u> Printed Name <u>Mgr Operations Admin</u> Title <u>August 4, 2005</u> Date
	<b>SURVEYOR CERTIFICATION</b>  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.  <u>JULY 26, 2005</u> Date Surveyed <u>LA</u> Signature of Professional Surveyor <u>GARY EDISON</u> Professional Surveyor 05.11.1163 Certificate No. GARY EDISON 12641



# OPERATORS COPY

Form 3160-3  
(July 1992)

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)

5. LEASE DESIGNATION AND SERIAL NO.

NMNM90796

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Rhodes Federal Unit

8. FARM OR LEASE NAME, WELL NO.

Rhodes Federal Unit No. 159

9. API WELL NO.

10. FIELD AND POOL OR WILDCAT

Rhodes; Yates-7 Rivers (Gas)

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

OR AREA

15-T26S-R37E

12. COUNTY OR PARISH

Lea

13. STATE

NM

### APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

1b. TYPE OF WELL

OIL ☐

GAS ☒

SINGLE ☒

MULTIPLE ☐

WELL WELL

OTHER ZONE

ZONE

2. NAME OF OPERATOR

Gruy Petroleum Management Co

3. ADDRESS AND TELEPHONE NO.

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

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

2110' FNL & 460' FEL

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)

990'

16. NO. OF ACRES IN LEASE

320

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

1138'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

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

2981' GR

CAPITAN CONTROLLED WATER BASIN

22. APPROX. DATE WORK WILL START\*

6-30-05

### 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#	750' 1000' J55	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 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

*[Signature]*

TITLE

FIELD MANAGER

DATE

7/13/05

\*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. ROBERTS, NM 86240

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
	RHODES FEDERAL UNIT	159
OGRID No.	Operator Name	Elevation
162683	GRUY PETROLEUM MANAGEMENT COMPANY	2988'

Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	15	26-S	37-E		2110	NORTH	460	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	Joint or Infill	Consolidation Code	Order No.						
160	Y	U							

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

		<b>OPERATOR CERTIFICATION</b>	
		<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></p> <p>Signature Zeno Farris</p> <p>Printed Name Manager Operations Admin</p> <p>Title May 24, 2005</p> <p>Date</p>	
		<b>SURVEYOR CERTIFICATION</b>	
		<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 Professional Surveyor</p> <p>REV: 5/12/05</p> <p>NEW MEXICO GARY EIDSON 05.11.0691</p> <p>Certified No. GARY EIDSON 12841</p>	

New Mexico *Resubmitted*

Form 3160-3  
(July 1992)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

1625 N. *Resubmitted*  
Hobbs, NM 88240  
SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

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

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 ☒

SINGLE ☒

MULTIPLE ☐

WELL WELL

OTHER ZONE

ZONE

2 NAME OF OPERATOR

Gruy Petroleum Management Co. 16263

3 ADDRESS AND TELEPHONE NO

P.O. Box 140907 Irving TX 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 drg 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 ELEVATIONS (Show whether DF, RT, GR, etc.)

2987' GR

22. APPROX. DATE WORK WILL START

6-30-05

PROPOSED CASING AND CEMENTING PROGRAM

*Controlled by Air Book*

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' 1011'	650 sx circ to surf
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The proposed well will be drilled to a depth of 4000' and completed as a Rhodes; Yates-7 Rivers (Gas) producer.

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**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

IN ABOVE SPACE, DESCRIBE PROPOSED PROGRAM:

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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.

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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. 162683	Operator Name	Elevation
	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 160	Joint or Infill Y	Consolidation Code C	Order No						

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 _____ Professional Surveyor</p> <p><u>GARY E. EDSON</u> NEW MEXICO 5/11/05 05.11.0692</p> <p>Certificate No. <u>GARY E. EDSON</u> 12841</p>
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