

0763

Bany

Oil Cons.  
N.M. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210  
(Other instructions on  
reverse side)

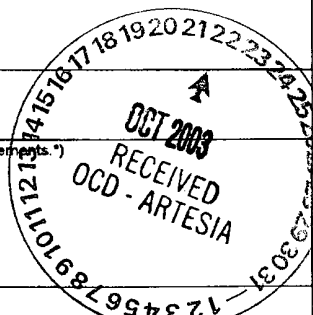
FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

8059

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-0475051
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> WELL WELL OTHER ZONE SINGLE <input type="checkbox"/> MULTIPLE <input type="checkbox"/>		6. IF INDIAN, ALLOTES OR TRIBE NAME
2. NAME OF OPERATOR Gruy Petroleum Management Co.		7. UNIT AGREEMENT NAME SW 1034
3. ADDRESS AND TELEPHONE NO. P.O. Box 140907 Irving TX 75014 972-401-3111		8. FARM OR LEASE NAME, WELL NO. Allied "B" Federal Com No. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) 1650' 1750' S 660' FWL & 1980' FXL		9. API WELL NO. 30-015-20864
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 36 miles East of Hobbs NM		10. FIELD AND POOL, OR WILDCAT White City Penn
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, T.O. (Also to nearest drlg. unit line, if any) 1650		11. SEC. T., R., M., BLOCK AND SURVEY OR AREA Sec. 22 T24 R26E
16. NO. OF ACRES IN LEASE 480		12. COUNTY OR PARISH Eddy
17. NO. OF ACRES ASSIGNED TO THIS WELL 640		13. STATE NM
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2130		19. PROPOSED DEPTH 13000
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3319.5' GR'
22. APPROX. DATE WORK WILL START 08-31-03		



PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	H-40 13 3/8"	48 #	403' SEE	395 sx C circ surface
11"	S-80 8 5/8"	28 #	5200' BELOW	1260 sx TOC 1300
7 7/8"	N-80/S-95 5 1/2"	17 #	14000' 13,000'	1620 sx TOC 2700

The Allied B Fed Com 1 was originally drilled to a TD of 11,700 to test the Morrow, surface and intermediate casing was set as shown. The well was PA in 1973. Gruy proposes to reenter, clean out and deepen the well to a depth of 13,000, set 5 1/2" production casing and complete as a White City Penn producer. During the clean out operation and through the running of production casing the well will be equipped with a 5,000 psi BOP system.

Upon successful completion as a White City Penn producer, the well name will be changed to Federal 22 Com 3

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS

IN ADDITION PROVIDE 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 07-07-03

(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/ Joe G. Lara TITLE ACTING FIELD MANAGER DATE 21 OCT 2003

PIPE IN THE ORIGINALLY COMPLETED WELL WAS AS FOLLOWS:  
13-3/8" H-40 48# SET @ 333'  
9-5/8" 36# K-55 & 36#40# S-80 SET @ 5375'  
THE 9-5/8" CSG WAS SHOT @ 1493' & PULLED  
TALKED TO ZENO FARRIS 7/21/03 - WILL  
SEND IN SUNDRY FOR CORRECTION AND ANY  
ADDITIONAL CSG DESIGN

\*See Instructions On Reverse Side  
I hereby certify that the information furnished herein is true and correct to the best of my knowledge and belief, and I am not aware of any person knowingly and willfully to make to any department or agency of the Interior statements or representations as to any matter within its jurisdiction.

APPROVAL FOR 1 YEAR

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-12B  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

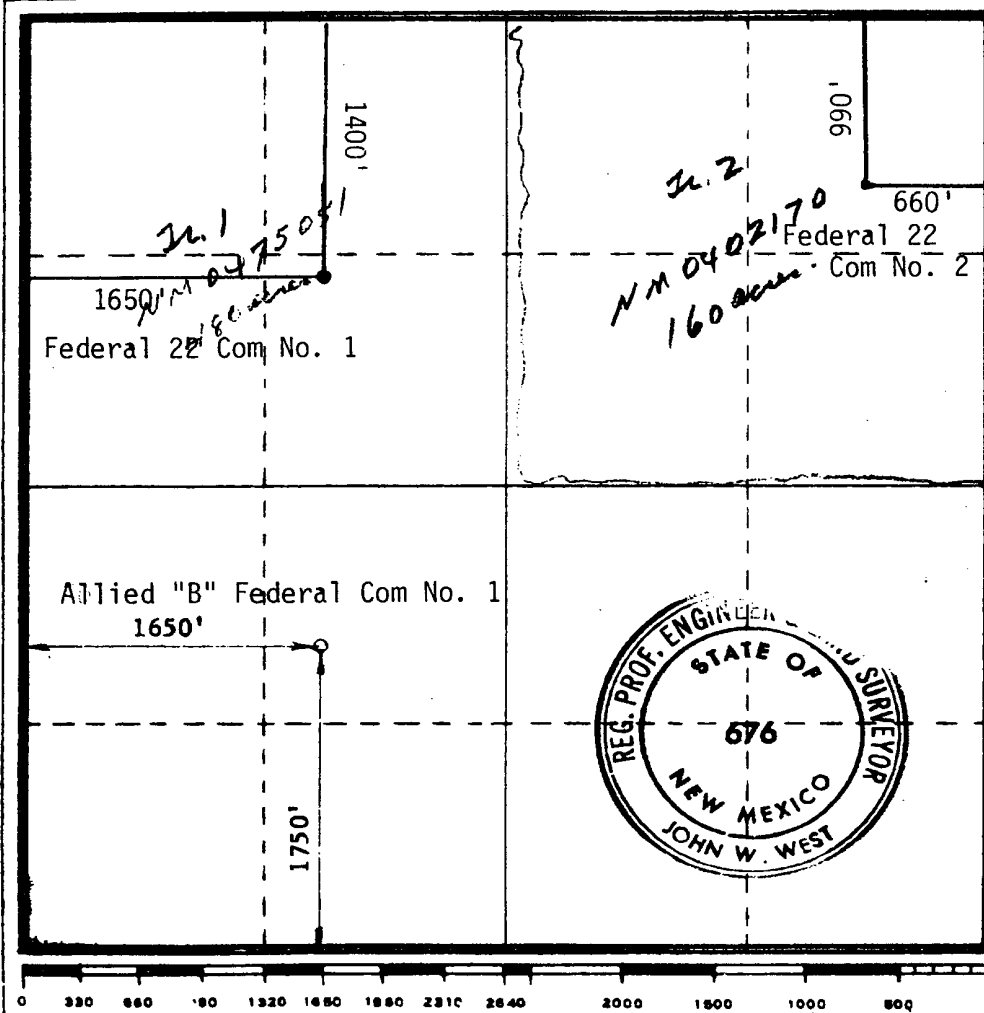
Operator <b>PENNZOIL COMPANY</b>			Lease <b>"B" ALLIED FEDERAL</b>		Well No. <b>1</b>
Unit Letter <b>K</b>	Section <b>22</b>	Township <b>24 SOUTH</b>	Range <b>26 EAST</b>	County <b>EDDY</b>	
Actual Footage Location of Well: <b>1750</b> feet from the <b>SOUTH</b> line and <b>1650</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>3319.5</b>	Producing Formation <b>Morrow</b>	Pool <b>White City Penn</b>	Dedicated Acreage: <b>640</b> Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). See attached list.
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization Agreement being prepared

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

*Zeno Farris*

Name  
**Zeno Farris**

Position  
**Mgr. Operations Admin.**

Company  
**Gruy Petroleum, Nignt. Co.**

Date  
**July 8, 2003**

I hereby certify that the well location shown on this plat was obtained from field notes of a survey 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

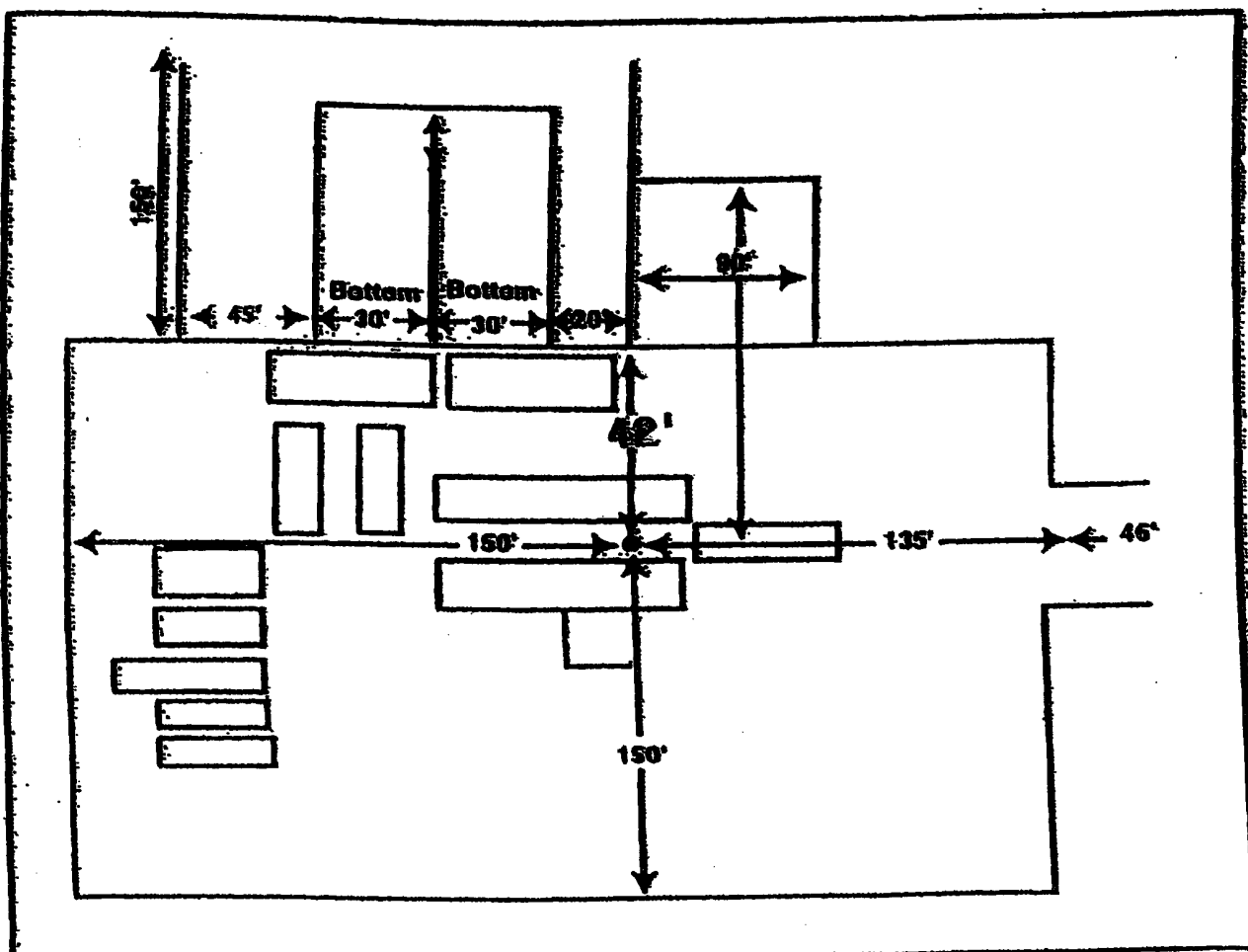
**MAY 15, 1973**

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **676**

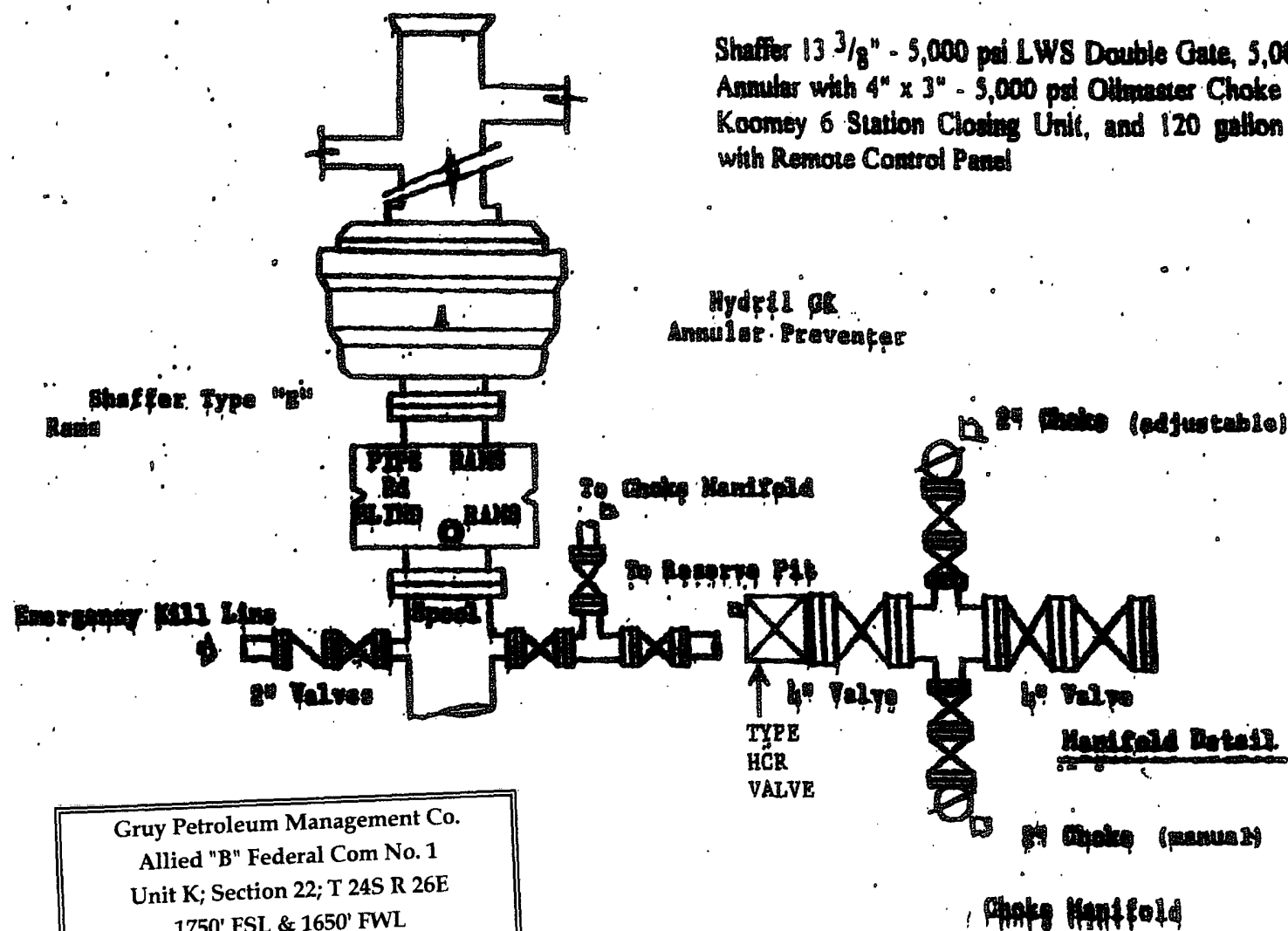




**Rig 75**

Gruy Petroleum Management Co.  
 Rig Layout Plan  
 Allied "B" Federal Com No. 1  
 Unit K; Section 22; T 24S R 26E  
 1750' FSL & 1650' FWL  
 Eddy County, NM

# **BLOWOUT PREVENTER SCHEME**



Gruy Petroleum Management Co.  
Allied "B" Federal Com No. 1  
Unit K; Section 22; T 24S R 26E  
1750' FSL & 1650' FWL  
Eddy County, NM



**Gruy Petroleum Management Co.**

600 East Las Colinas Blvd. • Suite 1100 • Irving, TX 75039 • (972) 401-3111 • Fax (972) 443-6450

Mailing Address: P.O. Box 140907 • Irving, TX 75014-0907

*A wholly-owned subsidiary of Magnum Hunter Resources, Inc., an American Stock Exchange company*

**STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS**

Bureau of Land Management  
620 East Greene St.  
Carlsbad, New Mexico 88220

Gruy Petroleum Management Co. accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land, or portion thereof, as described below:

Lease No.: NM - 0475051

Legal Description: All Sec 22, T24S-R26E  
Containing 640.00 acres, Eddy County New Mexico

Formation (S): Atoka - Morrow

Bond Coverage: Nationwide BLM Bond

BLM Bond File No.: NM 2575

Authorized Signature: Zeno Farris  
Representing Gruy Petroleum Management Co.

Name: Zeno Farris

Title: Manager, Operations Administration

Date: 07/07/03

## Application to Drill

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

In response to questions asked under Section II B of Bulletin NTL-6 the following information is provided for your consideration:

- 1 Location: 1750' FSL & 1650' FWL Sec. 22 24S 26E
- 2 Elevation above sea level: GR 3319.5'
- 3 Geologic name of surface formation: Quaternary Alluvium Deposits
- 4 Drilling tools and associated equipment: Conventional rotary drilling rig using fluid as a circulating medium for solids removal.
- 5 Proposed drilling depth: 13000'
- 6 Estimated tops of geological markers:

Wolfcamp	10078
Strawn	10388
Atoka	11158
Morrow	11768
- 7 Possible mineral bearing formation:

Wolfcamp	Oil
Strawn	Gas
Atoka	Gas
Morrow	Gas
- 8 Casing program:

Hole Size	Interval	Casing OD	Weight	Thread	Collar	Grade
17 1/2"	0-333'	13 3/8"	48	8-R	ST&C	H-40
12 1/4"	0-5375'	9 5/8"	40	8-R	ST&C	S-80
7 7/8"	0-13000'	5 1/2"	17	8-R	ST&C	N-80 / S-95

## Application to Drill

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

### 9 Cementing & Setting Depth:

13 3/8"	Surface	On 6-1-73 Pennzoil Exploration set 333' of 13 3/8" 48# ST&C casing. Cemented with 395 Sx. of Class C cement + additives, circulate cement to surface.
9 5/8"	Intermediate	On 6-18-73 Pennzoil Exploration Set 5375' of 9 5/8" 40# casing. Cement with 1260 sx of Class C cement + additives, TOC 1300'
5 1/2"	Production	Set 13000' of 5 1/2" NP-80 / S-95 17# ST&C casing. Cement in two stages, first stage cement with 1020 Sx. of Class POZ/C Cement + additives. Second stage cement with 600 Sx of Class "C" Estimated top of cement 2700'.

### 10 Pressure control Equipment:

Exhibit "E". A 13 3/8" 5000 PSI working pressure B.O.P. consisting of one set of blind rams and one set of pipe rams and a 5000 # annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 5375'. A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor. BOP unit will be hydraulically operated. BOP will be nipped up on the 9 5/8" casing and will be operated at least once a day while drilling and the blind rams will be operated when out of hole during trips. The 9 5/8" casing and BOP will be tested to

### 11 Proposed Mud Circulating System:

Depth	Mud Wt	Viscosity	Fluid Loss	Type Mud
0 - 5375'	10	28	NC	Fresh water spud mud add paper to control seepage and high viscosity sweeps to clean hole.
5375' - 13000'	9.4 - 9.8	50	NC	Brine water. Add paper as needed to control seepage and add lime to control pH (10.5). Use high viscosity sweeps to clean hole.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing, the viscosity and water loss may have to be adjusted in order to meet these needs. Mud system monitoring equipment with derrick floor indicators and visual/audio alarms shall be installed and operative prior to drilling into the Wolfcamp formation. This equipment will remain in use until production casing is run and cemented.



## **Application to Drill**

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

### 12 Testing, Logging and Coring Program:

- A. Mud logging program: One-man unit from 10300' to TD
- B. Electric logging program: CNL / LDT / CAL / GR, DLL / CAL / GR
- C. No DST's, or cores are planned at this time.

### 13 Potential Hazards:

No abnormal pressures or temperatures or H<sub>2</sub>S gas are expected. Adequate flare lines will be installed off the mud / gas separator where gas may be flared safely. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 3000 PSI, estimated BHT 1000.

### 14 Anticipated Starting Date and Duration of Operations:

Anticipated spud date as soon as approved. Drilling expected to take 20 - 25 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.

### 15 Other Facets of Operations:

After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals. The Morrow pay will be perforated and stimulated. The well will be tested and potentialized as a gas well.

## Hydrogen Sulfide Drilling Operations Plan

- 1 All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:
  - A. Characteristics of H2S
  - B. Physical effects and hazards
  - C. Proper use of safety equipment and life support systems.
  - D. Principle and operation of H2S detectors, warning system and briefing
  - E. Evacuation procedure, routes and first aid.
  - F. Proper use of 30 minute pressure demand air pack.
- 2 H2S Detection and Alarm Systems
  - A. H2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3 Windsock and/or wind streamers
  - A. Windsock at mudpit area should be high enough to be visible.
  - B. Windsock at briefing area should be high enough to be visible.
  - C. There should be a windsock at entrance to location.
- 4 Condition Flags and Signs
  - A. Warning sign on access road to location.
  - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
- 5 Well control equipment
  - A. See exhibit "E"
- 6 Communication
  - A. While working under masks chalkboards will be used for communication.
  - B. Hand signals will be used where chalk board is inappropriate.
  - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.
- 7 Drillstem Testing
  - A. Exhausts will be watered.
  - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
  - C. If location is near any dwelling a closed DST will be performed.

## **Hydrogen Sulfide Drilling Operations Plan**

- 8 Drilling contractor supervisor will be required to be familiar with the effects H<sub>2</sub>S has on tubular goods and other mechanical equipment.
- 9 If H<sub>2</sub>S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H<sub>2</sub>S scavengers if necessary.

## Surface Use Plan

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

- 1 Existing Roads: All existing roads will be maintained in a condition equal to or better than current conditions.
  - A. Exhibit "A" shows the proposed well site as staked.
  - B. Go South of Carlsbad on Highway 62-180 for approximately 16 miles to mile marker 21. Turn left or East on Black River Village Rd. for about 2 1/4 miles. Turn right or South on Bounds Rd for about 1.25miles, then right on lease road for 0.25 miles to location.
  - C. Construct power lines and lay pipelines that will be necessary to produce this lease along road R-O-W.
- 2 PLANNED ACCESS ROADS: Plan on upgrading and using existing roads and pit area.
- 3 LOCATION OF EXISTING WELLS IN A ONE-MILE RADIUS EXHIBIT "A"
  - A. Water wells - None known
  - B. Disposal wells - None known
  - C. Drilling wells - None known
  - D. Producing wells - As shown on Exhibit "A"
  - E. Abandoned wells - As shown on Exhibit "A"

## Surface Use Plan

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

- 4 If, on completion this well is a producer Gruy Petroleum Management Co. will furnish maps and/or plats showing on site facilities or off site facilities if needed. This will be accompanied with a Sundry Notice.

5 LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped in flexible lines laid on top of the ground.

6 SOURCE OF CONSTRUCTION MATERIAL:

If possible construction will be obtained from the excavation of drill site, if additional material is needed it will be purchased from a local source and transported over the existing access roads.

7 METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by supplier including broken sacks.
- D. Sewage from living quarters will drain into holes with a minimum depth of 10'. These holes will be covered during drilling and will be back filled upon completion. A Porta-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of the well.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry enough for breaking out. In the event that drilling fluids do not evaporate in a reasonable time they will be hauled off by transports and be disposed of at a state approved disposal facility. Later pits will be broken out to speed drying. Water produced during testing will be put in reserve pits. Any oil or condensate produced will be stored in test tanks until sold and hauled from the site.

8 ANCILLARY FACILITIES:

- A. No camps or airstrips to be constructed.

## **Surface Use Plan**

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

### **9 WELL SITE LAYOUT**

- A. Exhibit "D" shows location and rig layout.
- B. This exhibit indicates proposed location of reserve and trash pits; and living facilities.
- C. Mud pits in the active circulating system will be steel pits and the reserve pit is proposed to be unlined, unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with PVC or polyethylene line. The pit liner will be 6 mils thick. Pit liner will extend a minimum, 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

### **10 PLANS FOR RESTORATION OF SURFACE**

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be recontoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

## Surface Use Plan

Gruy Petroleum Management Co.  
Allied "B" Federal No. 1  
Unit Letter K Section 22  
T24S - R26E Eddy County, NM

### 11 OTHER INFORMATION:

- A. Topography consists of a sloping plane with loose tan sands, and a few eroded areas. Vegetation is mainly yucca, mesquite and shin oak.
- B. The wellsite is on Federal surface owned by the BLM, United States Department of the Interior. The land is used mainly for farming, cattle ranching and oil and gas production.
- C. If needed an Archaeological survey will be conducted on the location and existing roads, and this report will be filed with the Bureau of Land Management in the Carlsbad BLM office.
- D. There are no known dwellings within 1 1/2 miles of this location.

### 12 OPERATORS REPRESENTATIVE:

Gruy Petroleum Management Company  
P.O. Box 14097  
Irving, TX 75014  
Office Phone: (972) 443-6489  
Zeno Farris

- 13 **CERTIFICATION:** I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Gruy Petroleum Management Company contractors/subcontractors in the conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false statement.

NAME: Zeno Farris

DATE: 7/1/03

TITLE: Manager, Operations Administration

600 East Las Colinas Blvd.  
Suite 1100  
Irving, TX 75039  
972-401-3111 (phone)  
469-420-2710 (fax)

# Gruy Petroleum Management Co

October 17, 2003

Bureau of Land Management  
620 East Greene Street  
Carlsbad, New Mexico 88220  
Attn: Ms. Linda Denniston

RE: Allied "B" Federal Com No. 1  
Sec. 22-24S-26E  
1750' FSL & 1650' FWL  
Eddy Co., NM

Dear Ms. Denniston,

Please find enclosed (1) one original and (5) five copies of the survey plat and exhibits "B" and "C" for the Allied "B" Federal Com No. 1. We're sending it now because in the application to drill package we originally sent, the plat we included was not an original.

Please note that the spacing unit for the subject well is operated by Wadi Petroleum, Inc. We have an agreement with Wadi to drill this well for them, and upon completion as a White City; Penn (Gas) producer, we will turn operations over to Wadi. In addition, if the well is successfully completed as a White City; Penn producer, its name will be changed to Federal 22 Com No. 3.

If you should have any questions or need further information, please feel free to contact Zeno Farris at 972-443-6489.

Sincerely,

  
Natalie Krueger  
Production Assistant

Enclosures

Cc: New Mexico Oil Conservation Division  
1301 W. Grand Ave.  
Artesia, NM 88210

Wadi Petroleum, Inc.  
14405 Watkins Rd., Suite 400  
Houston, TX 77014  
Attn: Kevin Dice

2003 OCT 20 PM 11  
BUREAU OF LAND MGMT.  
CARLSBAD FIELD OFFICE

RECEIVED  
2003 OCT 20 PM 3 48  
BUREAU OF LAND MGMT.  
CARLSBAD FIELD OFFICE

.....  
nkrueger@magnumhunter.com



## DISTRICT I

P.O. Box 1280, Hobbs, NM 88241-1280

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

## State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

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 White City; Penn
Property Code	Property Name ALLIED B FEDERAL	Well Number 1
OGRID No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT CO.	Elevation 3312'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	24-S	26-E		1750'	SOUTH	1650'	WEST	EDDY

## Bottom Hole Location If Different From Surface

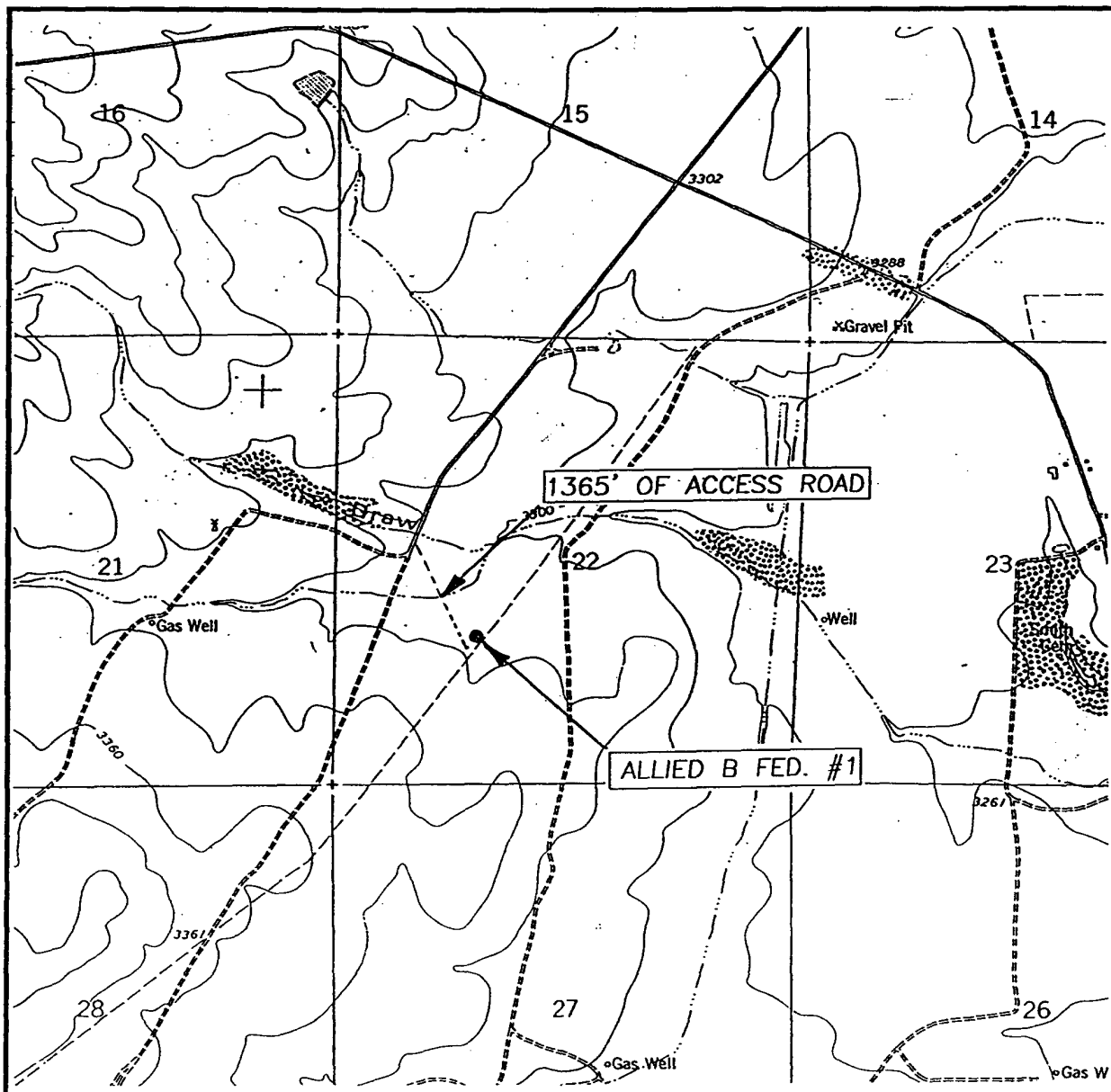
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640	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

	<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 October 17, 2003 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.  July 31, 2003 Date Surveyed Signature & Seal of Professional Surveyor NEW MEXICO 03.11.0829 Certificate No. 3239 12841

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'  
BLACK RIVER VILLAGE, N.M.

SEC. 22 TWP. 24-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1750' FSL & 1650' FWL

ELEVATION 3312'

OPERATOR GRUY PETROLEUM MANAGEMENT CO.

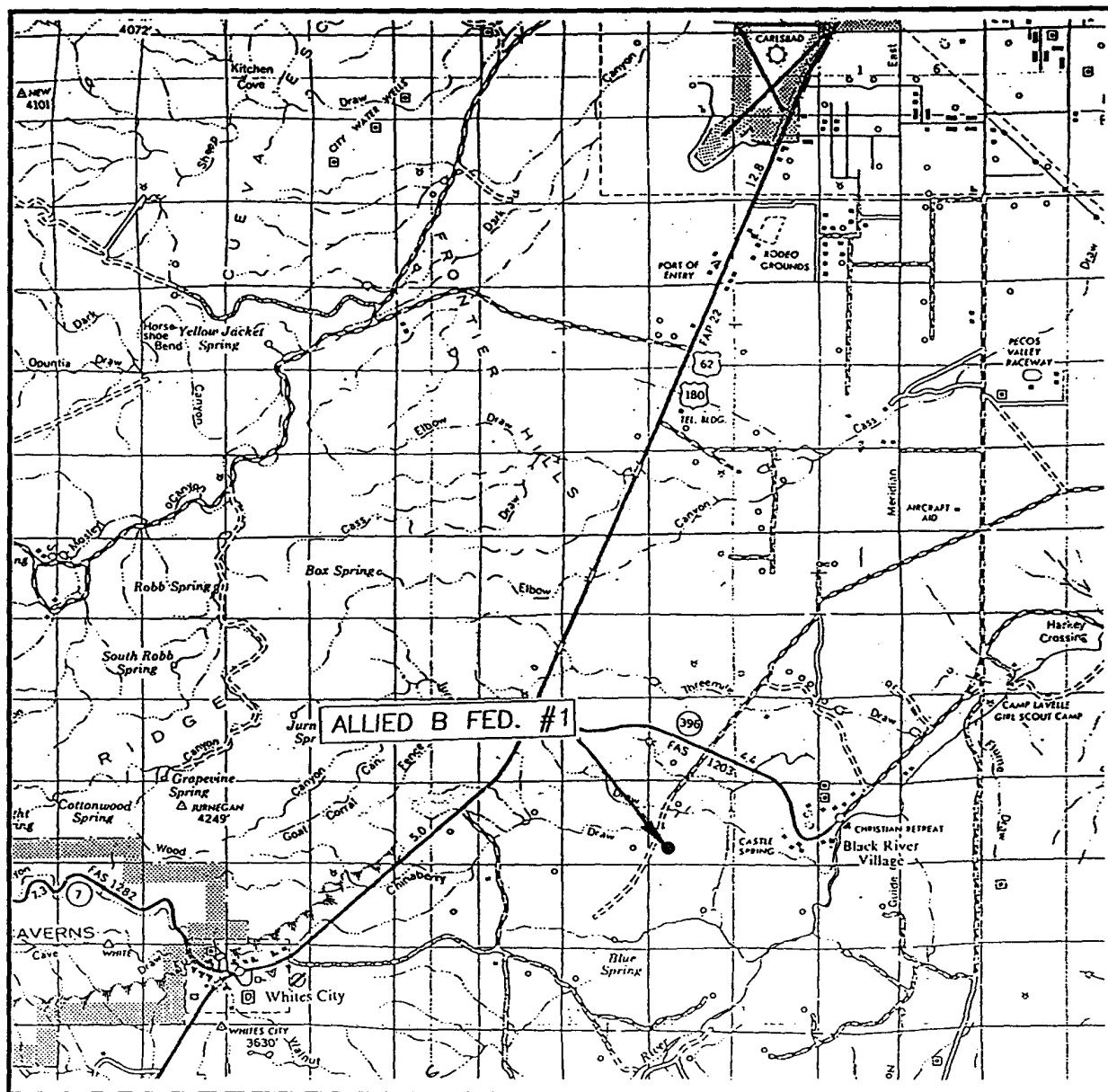
LEASE ALLIED B FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
BLACK RIVER VILLAGE, N.M.

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117

Exhibit "B"

NOTE



SEC. 22 TWP. 24-S RGE. 26-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY                      EDDY

DESCRIPTION 1750' FSL & 1650' FWL

ELEVATION 3312'

OPERATOR GRUY PETROLEUM MANAGEMENT CO.

LEASE ALLIED B FEDERAL Exhibit "C"

JOHN WEST SURVEYING  
HOBBS, NEW MEXICO  
(505) 393-3117