

Submit 3 Copies To Appropriate District Office  
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

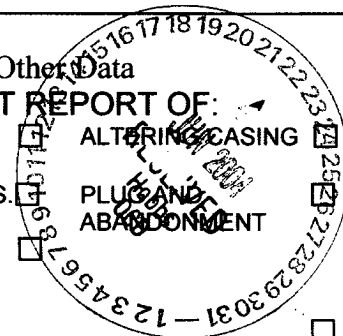
Form C-103  
March 4, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-025-30167
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 685270
7. Lease Name or Unit Agreement Name Skelly Penrose 'A' Unit
8. Well Number 68
9. OGRID Number
10. Pool name or Wildcat Langlie Mattix 7-RV Queen

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other Injection Well	
2. Name of Operator Gruy Petroleum Management Company	
3. Address of Operator PO Box 140908, Irving, TX 75014-0908	
4. Well Location Unit Letter <u>N</u> : <u>95</u> feet from the <u>South</u> line and <u>2524</u> feet from the <u>West</u> line Section <u>3</u> Township <u>23S</u> Range <u>37E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
<b>Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)</b>	
Pit Location: UL <u>  </u> Sect <u>  </u> Twp <u>  </u> Rng <u>  </u> Pit type <u>  </u> Depth to Groundwater <u>  </u> Distance from nearest fresh water well <u>  </u> Distance from nearest surface water <u>  </u> Below-grade Tank Location UL <u>  </u> Sect <u>  </u> Twp <u>  </u> Rng <u>  </u> ; feet from the <u>  </u> line and <u>  </u> feet from the <u>  </u> line	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: Perform Step-rate test to increase inject <input type="checkbox"/>	OTHER: <input type="checkbox"/>



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Gruy Petroleum Management Company respectfully requests approval to conduct step-rate tests on the #68 well for the purposes of requesting higher injection pressures. The well currently has an approved injection pressure of 702 psi. Upon approval to conduct the step-rate tests, Gruy will test the well and file a request for increased injection pressure in the Santa Fe office. Your earliest consideration and guidelines would be greatly appreciated.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Becky Nogelmeier TITLE Operations Assistant DATE 6-11-04

Type or print name Becky Nogelmeier E-mail address: bnogelmeier@magnumhunter.com Telephone No. 505-394-0613

(This space for State use)

APPROVED BY Hayden Wink TITLE OG FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUN 28 2004  
Conditions of approval, if any:

# Gruy Petroleum Management

Skelly Penrose Unit #68

Langlie Mattix Field

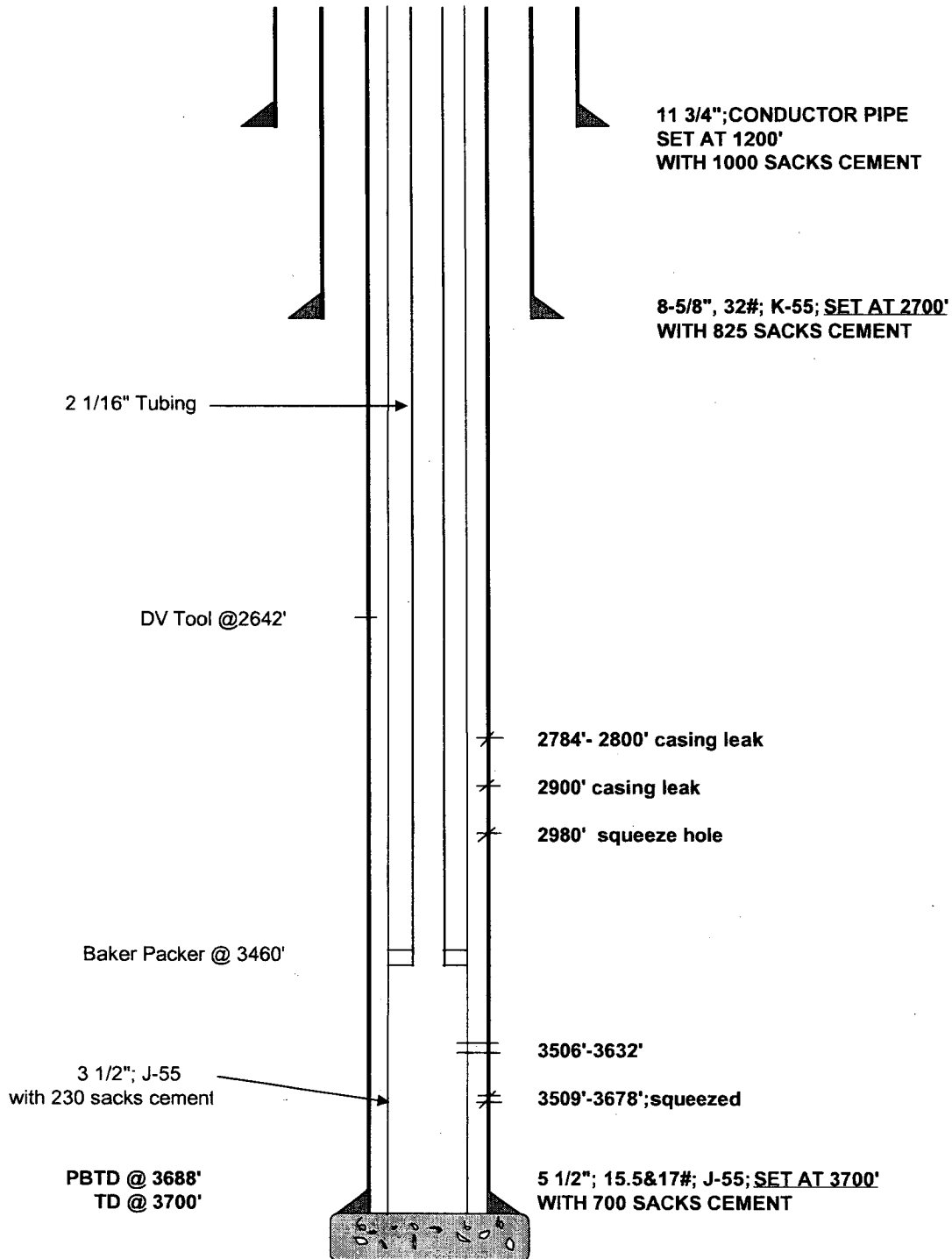
Lea County, Texas

SEC. 3, Block T23S; R37E 2524' FWL & 95' FSL

## CURRENT WELLBORE CONFIGURATION

KB:3309'  
GL:3297'

SPUD DATE:1/25/88  
COMPLETION DATE:



Date: 11-30-01  
API #: 3002530167  
BY: WFK