

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

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 30-25-36389
Property Code 29209	Property Name Eureka 36 State	Well No. 002

Surface Location

UL or Lot N	Section 36	Township 16S	Range 34E	Lot Idn	Feet From 810	N/S Line S	Feet From 1860	E/W Line W	County Lea
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Proposed Pools

VACUUM;ATOKA-MORROW, NORTH (GAS) 86800
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Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 4037
Multiple N	Proposed Depth 13000	Formation Morrow	Contractor	Spud Date 10/15/2003

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	400	425	0
Int1	12.25	9.625	40	3200	1250	0
Prod	7.875	5.5	17	13000	1750	2700

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Cameran

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: 8/28/2003

Phone: 972-443-6489

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 8/29/2003

Expiration Date: 8/29/2004

Conditions of Approval:
No Conditions

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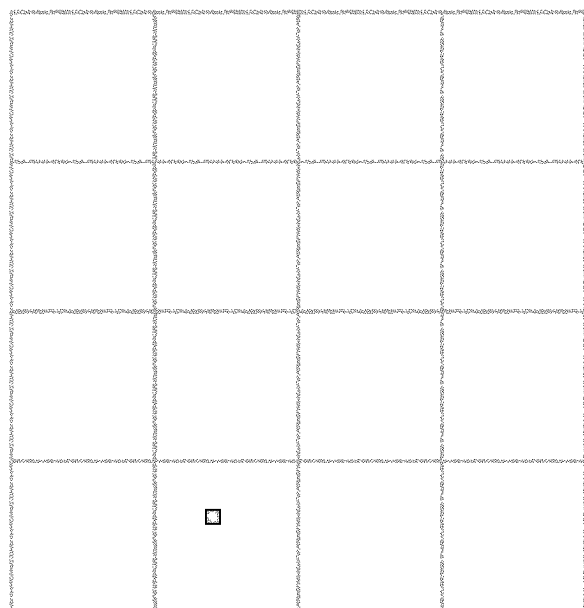
Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36389	Pool Name VACUUM;ATOKA-MORROW, NORTH (GAS)	Pool Code 86800
Property Code 29209	Property Name Eureka 36 State	Well No. 002
OGRID No. 162683	Operator Name Gruy Petroleum Management Co.	Elevation 4037

Surface And Bottom Hole Location

UL or Lot N	Section 36	Township 16S	Range 34E	Lot Idn	Feet From 810	N/S Line S	Feet From 1860	E/W Line W	County Lea
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No.			



OPERATOR CERTIFICATION

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

Electronically Signed By: Zeno Farris

Title: Manager Operations Administration

Date: 8/28/2003

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.

Electronically Signed By: Gary Eidson

Date of Survey: 3/27/2003

Certificate Number: 12641

APD Comments

Operator: 162683 Gruy Petroleum Management Co.

Well: Eureka 36 State 002

User Name	Comment	Comment Date
ZFARRIS	From the base of the surface pipe, through the running of the 5 1/2 production casing, the well will be equipped with a 5000 # BOP system.	8/28/2003
ZFARRIS		8/28/2003