

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
N.M. Oil Cons. Division
P.O. Box 1980
Hobbs, NM 88241

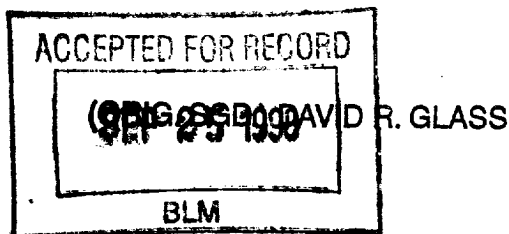
FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC-030181-A	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Gruy Petroleum Management Co.			7. UNIT AGREEMENT NAME 8920003820	
3. ADDRESS AND TELEPHONE NO. P. O. Box 140907, Irving, TX 75014-0907			8. FARM OR LEASE NAME, WELL NO. Rhodes Federal Unit #86	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 2210' ESL & 990' FWL At proposed prod. zone 1980' FNL 1980'			9. API WELL NO. 30-025-28129	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 5 miles South of Jal, New Mexico			10. FIELD AND POOL, OR WILDCAT Rhodes Yates-7 Rivers Gas	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1980'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5-26S-37E	
16. NO. OF ACRES IN LEASE 600			12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 2973' GR			22. APPROX. DATE WORK WILL START* Completed	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

This is filed for the purpose of amending Form 3160-3 to reflect the completion of the Rhodes Federal Unit #86 as an oil well instead as originally permitted gas well.



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. Operations Admin. DATE 9/10/98
(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