Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

LC 032604-B SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - " for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Rhodes '23' X Gas # 1 2. Name of Operator Federal Com Gruy Petroleum Management Co. 9. API Well No. 3. Address and Telephone No. 972-401-3111 P.O. Box 140907 Irving, Texas 75014 10. Field and Pool, or exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Rhodes Gas Pool 660' FSL & 1100' FWL Sec. 23, T26S, R37E 11. County or Parish, State NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Non-Routine Fracturing Plugging Back Casing Repair Water Shut-Off Final Abandonment Notice Conversion to Injection Altering Casing Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Gruy Petroleum Management Company respectfully requests approval to change the operator on above referenced permit from Texaco Exploration & Production Inc. Also, request to amend the drilling plan specifically from a horizontal to a vertical hole. Please see attached drilling plan... (This space for Federal or State office use) Conditions of approval, if any:

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.