

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

514

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. NM-90796	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----	
2. NAME OF OPERATOR GRUY PETROLEUM MANAGEMENT COMPANY (ZENO FARRIS) 972-443-6489		7. UNIT AGREEMENT NAME -----	
3. ADDRESS AND TELEPHONE NO. P.O. BOX 140907 IRVING, TEXAS 75014 -0907		8. FARM OR LEASE NAME, WELL NO. RHODES FEDERAL UNIT # 159	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 2110' FNL & 460' FEL SEC. 15 T26S-R37E LEA CO. NM At proposed prod. zone SAME		9. AP WELL NO. 30-025-34395	
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 drlg. unit line, if any) 990'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 15 T26S-R37E	
16. NO. OF ACRES IN LEASE 320		12. COUNTY OR PARISH LEA CO.	
17. NO. OF ACRES ASSIGNED TO THIS WELL 120		13. STATE NEW MEXICO	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1980'		19. PROPOSED DEPTH 3380'	
20. ROTARY OR CABLE TOOLS ROTARY		21. APPROX. DATE WORK WILL START* As soon as approved	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) GR. 2981'		22. APPROX. DATE WORK WILL START* As soon as approved	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/2"	K-55 8 5/8"	24	750'
7 7/8"	K-55 4 1/2"	11.6	3380'
QUANTITY OF CEMENT			
600 Sx. circulate to surface			
1000 Sx. circulate to surface			

1. Drill 12 1/2" hole to 750'. Run and set 750' of 8 5/8" J-55 24# ST&C casing. Cement with 400 Sx. of Halco Light + additives, tail in with 200 Sx. of Class "C" + 1/4# flocele/Sx + 2% CaCl, circulate cement to surface.
2. Drill 7 7/8" hole to 3380'. Run and set 3380' of 4 1/2" J-55 11.6# LT&C casing. Cement in two stages. First stage cement with 400 Sx. of Class "C" cement + 3# of salt/Sx. + 1/4# flocele/Sx. Second stage cement with 600 Sx. of Class "C" Halco Light + 9# salt/Sx. + 1/4# flocele/Sx., circulate cement to surface.

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

TITLE Agent

DATE 04/07/98

(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:

(ORIG. SGD.) ARMANDO A. LOPEZ

APPROVED BY

TITLE Acting ADM. MINERALS

DATE

MAY 04 1998

*See Instructions On Reverse Side