

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/>.	OIL CONSERVATION DIVISION	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 2/10/2006	Expiration Date: 2/10/2007
Printed Name: Electronically filed by Zeno Farris		
Title: Manager Operations Administration		
Email Address: zfarris@magnumhunter.com		
Date: 2/9/2006	Phone: 972-443-6489	Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 22670

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-37703	2. Pool Code 83280	3. Pool Name QUAIL RIDGE;MORROW (GAS)
4. Property Code 35401	5. Property Name QUAIL RIDGE 32 STATE	6. Well No. 002
7. OGRID No. 162683	8. Operator Name GRUY PETROLEUM MANAGEMENT CO.	9. Elevation 3651

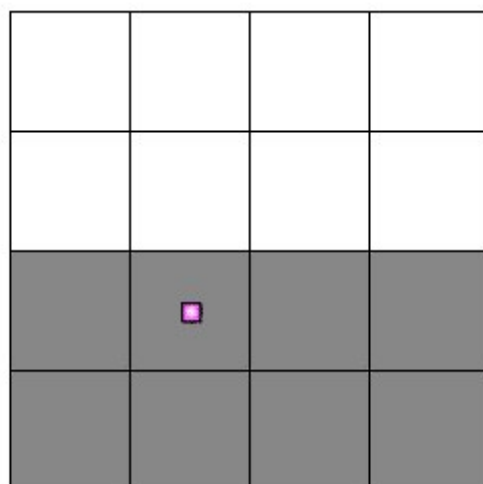
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	32	19S	34E		1980	S	1980	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		13. Joint or Infill		14. Consolidation Code		15. Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Zeno Farris
 Title: Manager Operations Administration
 Date: 2/9/2006

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.

Surveyed By: Gary Jones
 Date of Survey: 1/24/2006
 Certificate Number: 7977

Permit Comments

Operator: GRUY PETROLEUM MANAGEMENT CO. , 162683

Well: QUAIL RIDGE 32 STATE #002

API: 30-025-37703

Created By	Comment	Comment Date
NKRUEGER	C-144 emailed to Donna Mull on 02-06-06.	2/6/2006
NKRUEGER	H2S Stmt emailed to Donna Mull on 02-06-06.	2/6/2006

Permit Conditions of Approval

Operator: GRUY PETROLEUM MANAGEMENT CO. , 162683

Well: QUAIL RIDGE 32 STATE #002

API: 30-025-37703

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114