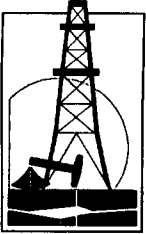


30735206

NSP 9/13/99

**Gruy Petroleum Management Co.**

600 East Las Colinas Blvd. • Suite 1200 • Irving, TX 75039 • (972) 401-3111 • Fax (972) 443-6450
Mailing Address: P.O. Box 140907 • Irving, TX 75014-0907

A subsidiary of Magnum Hunter Resources, Inc. • AMEX - "MHR"

AUG 23 1999

OIL CONSERVATION DIVISION

August 20, 1999

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

SL
R-11231
dated
8-12-99

Re: Request for Non-Standard Proration Unit
Sec. 16, T26S, R37E
E/2SW/4, NE/4SW/4
Rhodes State Com 20
Rhodes State Com 21
Lea County, NM

Ladies and Gentlemen:

Gruy Petroleum Management Co. respectfully requests a non-standard proration unit of 120.00 acres for the referenced wells. This request is due to the Rhodes State # 6 in Unit letter N, 16-26S-37E, being completed as an oil well.

The Rhodes State Com # 20 and 21 had previously shared the current 160.00 acre dedication in the SW/4 of section 16. Gruy Petroleum Management Co. is the only offsetting operator to the requested non-standard proration unit.

Attached for your reference, please find a List of Offset Spacing Units and corresponding map, along with C-102s for the Rhodes State # 6, Rhodes State Com #20, (UL, K) and Rhodes State Com #21, (UL, M).

If additional data is required, or if you have any questions, please advise. Thank you.

Sincerely,

Betty Epie
Operations Coordinator

cc: District 1, Hobbs, NM

List of Offset SPU's
GRUY PETROLEUM MANGEMENT CO
Rhodes State #6
Rhodes Yates Seven Rivers Gas Pool

Offset SPU	Well Name	Location	Operator	Acres	SPU
1	Rhodes State #5	C-16-26S-37E	Gruy	160	Standard
	Rhodes State #18	D-16-26S-37E	Gruy	160	Standard
	Rhodes State #19	F-16-26S-37E	Gruy	160	Standard
2	Rhodes State #3	A-16-26S-37E	Gruy	160	Standard
	State Y Com #1	H-16-26S-37E	Gruy	160	Standard
3	Rhodes State Com #4	J-16-26S-37E	Gruy	160	Standard
	State A Com #1	P-16-26S-37E	Gruy	160	Standard
4	Rhodes Fed Unit #211	A-16-26S-37E	Gruy	120	Non-Standard
	Rhodes Fed Unit #212	B-16-26S-37E	Gruy	120	Non-Standard
5	Elliot Fed #2	D-21-26S-37E	Gruy	80	Non-Standard
	Moberly C #3	E-21-26S-37E	Gruy	80	Non-Standard
	Elliot Fed #5	C-21-26S-37E	Gruy	40	Non-Standard
6	Moberly Rhodes #12	H-20-26S-37E	Gruy	160	Standard
7	Elliot Fed #3	H-16-26S-37E	Gruy	160	Non-Standard
	Elliot Fed #6	I-16-26S-37E	Gruy	160	Non-Standard
8	Rhodes State Com #20	K-16-26S-37E	Gruy	120	Non-Standard
	Rhodes State Com #21	M-16-26S-37E	Gruy	120	Non-Standard

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34408	Pool Code 83810	Pool Name RHODES YATES 7 RIVERS GAS
Property Code 23385	Property Name RHODES STATE	Well Number 6
OGED No. 162683	Operator Name GRUY PETROLEUM MANAGEMENT CO.	Elevation 2982

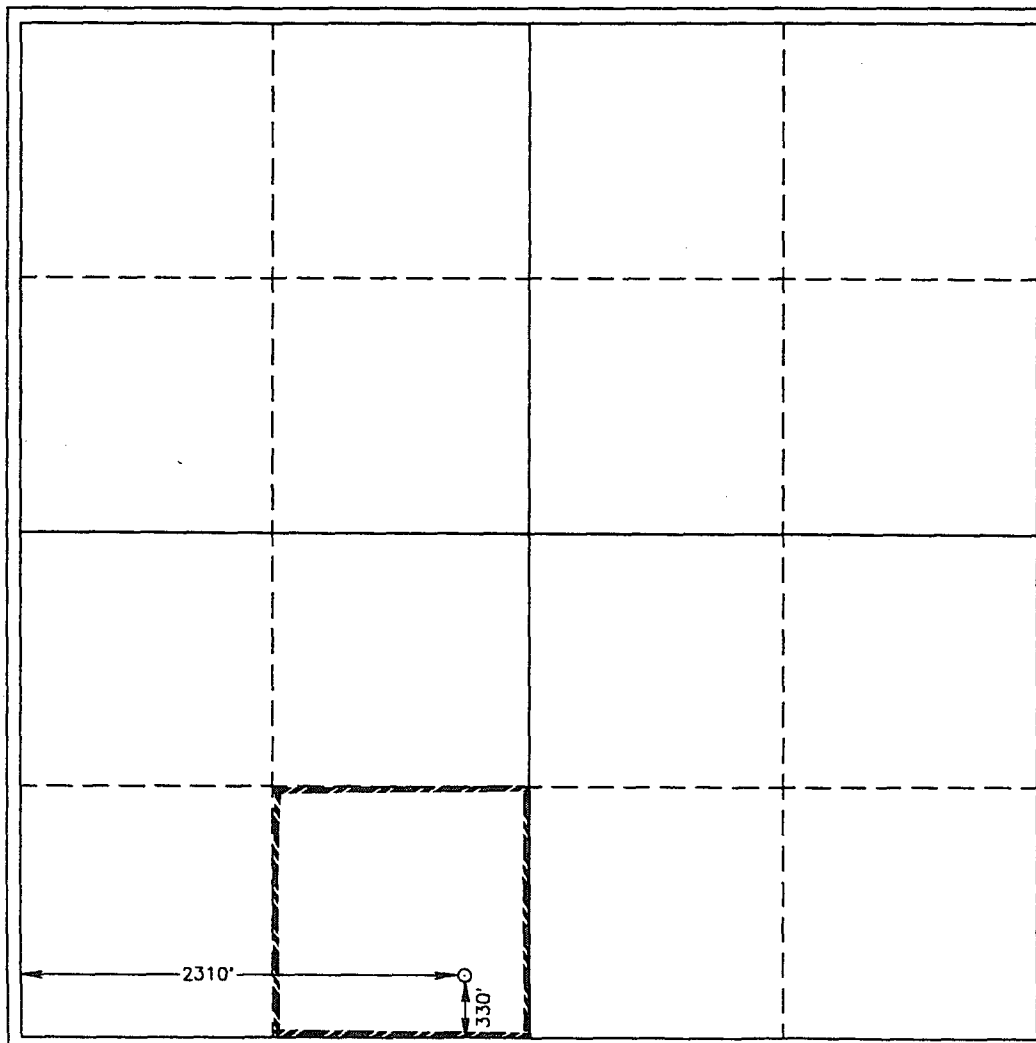
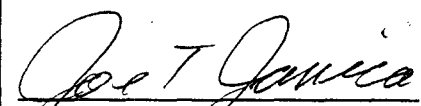
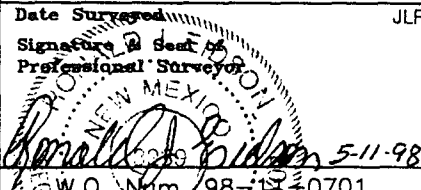
Surface Location

UL or lot No. N	Section 16	Township 26 S	Range 37 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 2310	East/West line WEST	County LEA
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	-----------------------	------------------------	---------------

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	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 the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Joe T. Janica Printed Name Agent Title 07/14/98 Date
	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. MAY 7, 1998 Date Surveyed Signature & Seal of Professional Surveyor  W.O. Num 98-11-0701
	Certificate No. RONALD E. EIDSON, 3239 GARY E. EIDSON, 12641 McDONALD, 12185

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-24506		2 Pool Code 83810		3 Pool Name Rhodes Yates Seven Rivers (Gas)	
4 Property Code 21758		5 Property Name Rhodes State Com			6 Well Number 20
7 OGRID No. 162683		8 Operator Name Gruy Petroleum Management Co			9 Elevation 2992.2 GR

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	16	26S	37E		1980	South	1980	West	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 120	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

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Betty Epie</i> Signature Betty Epie</p> <p>Printed Name Operations Coordinator</p> <p>Title 8/17/99</p> <p>Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyer:</p>
	<p>Certificate Number</p>

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-24507		Pool Code 83810	Pool Name Rhodes Yates Seven Rivers (Gas)
Property Code 21758	Property Name Rhodes State Com		Well Number 21
OGRID No. 162683	Operator Name Gruy Petroleum Management Co		Elevation 2984.8 GR

¹⁰ Surface Location

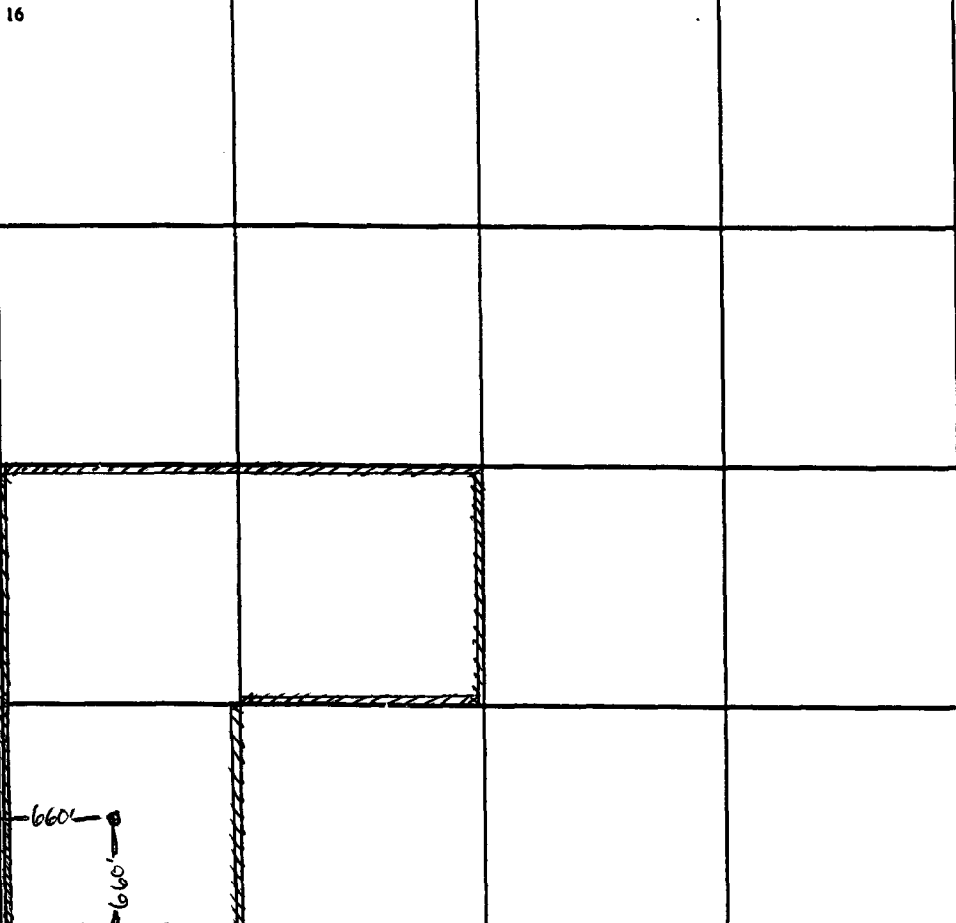
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	26S	37E		660	South	660	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 120	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

<div data-bbox="138 1060 170 1081" data-label="Text"> <p>16</p> </div> 	<div data-bbox="1104 1050 1575 1092" data-label="Section-Header"> <p>¹⁷ OPERATOR CERTIFICATION</p> </div> <div data-bbox="1104 1092 1575 1144" data-label="Text"> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> </div> <div data-bbox="1104 1239 1575 1354" data-label="Text"> <p><i>Betty Epie</i> Signature Betty Epie</p> </div> <div data-bbox="1104 1354 1575 1417" data-label="Text"> <p>Printed Name Operations Coordinator</p> </div> <div data-bbox="1104 1417 1575 1480" data-label="Text"> <p>Title 8/17/99</p> </div> <div data-bbox="1104 1480 1575 1522" data-label="Text"> <p>Date</p> </div>	
	<div data-bbox="1104 1522 1575 1564" data-label="Section-Header"> <p>¹⁸ SURVEYOR CERTIFICATION</p> </div> <div data-bbox="1104 1564 1575 1680" data-label="Text"> <p>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.</p> </div> <div data-bbox="1104 1711 1575 1753" data-label="Text"> <p>Date of Survey</p> </div> <div data-bbox="1104 1753 1575 1795" data-label="Text"> <p>Signature and Seal of Professional Surveyor:</p> </div> <div data-bbox="1104 1953 1575 1995" data-label="Text"> <p>Certificate Number</p> </div>	



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

8/24/99

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____
NSL	_____
NSP	_____ X _____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

Gray Petroleum Mgmt Co Rhodes State Com #20-K-16-21-37
Operator Lease & Well No. Unit S-T-R #21-M-16-21-37

and my recommendations are as follows:

None.

Yours very truly,

Chris Williams

Chris Williams
Supervisor, District 1

/ed

8-27-99