

June 15, 2004

Oil Conservation Division 1301 W. Grand Ave. Artesia, NM 88210

Attention: Bryan Arrant

30-015-33476

Re: Zonked State #1

660' FSL & 1650' FWL Section 2, T21S, R24E Eddy County, New Mexico

Dear Bryan:

We plan to complete the above referenced well in the Morrow formation, which is sweet, and we don't anticipate cutting any formations that contain H2S gas during the drilling of this well. Therefore, we do not believe that an H2S contingency plan is necessary.

If you have questions or need further information, please call.

Sincerely,

Melanie J. Parker Land Department

/mp

State of New Mexico

DISTRICT I P.O. Box 1980, Hobbs, NM 55241-1989

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

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

OIL CONSERVATION DIVISION P.O. Box 2088

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe. New Mexico 87504-2088

DISTRICT IV P.O. BOX 2068, SANTA PE, N.M. 87504-	WELL LOCATION AND	ACREAGE DEDICATION P	LAT
API Number	Pool Code	Po	ol Name
	97031	Cemetery; Morrow; So	outheast (G)
Property Code	Pro ZONKI	Well Number	
OGRID No. 14049		rator Name RGY CORPORATION	Elevation 3863'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Bast/West line	County
N	2	21-S	24-E		660'	SOUTH	1650'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Peet from the	East/West line	County
Dedicated Acres	Joint o	r Infill Co	nsolidation (ode Or	der No.				
320									

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

