

Gruy Petroleum Management Co.

600 East Las Colinas Blvd. ♦ Suite 1100 ♦ 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. • An American Stock Exchange Company • "MHR"

March 29, 2001

Oil Conservation Division 811 South First Artesia, NM 88210 Attn: Mr. Tim Gum

Re: Aid 24 State Com 1 SWD Sec. 24 17S-28E, Eddy County NM



Dear Mr. Gum:

Enclosed are an original and six (6) copies of Form C-101, C-102, and well-bore schematic for the proposed salt-water disposal well. We are in the process of filing for injection approval with the N.M.O.C.D. in Santa Fe. We have a rig available in 8 to 10 days and upon completion, we will shut-in the well pending authority to inject.

If you have any questions or require additional information concerning this matter, please feel free to call me at 972-443-6489

Yours truly,

Eleve Famis

Zeno Farris Manager, Operations Administration