

Gruy Petroleum Management Co.

600 East Las Colinas Blvd. ♦ Suite 1100 ♦ Irving, TX 75039 ♦ (972) 401-3111 ♦ Fax (469) 420-2710 Mailing Address: P.O. Box 140907 ♦ Irving, TX 75014-0907 A subsidiary of Cimarex Energy Co. • A NYSE Listed Company • "XEC"

September 29, 2005

Oil Conservation Division District II Office 1301 W. Grand Ave. Artesia, New Mexico 88210 Attn: Mr. Bryan Arrant

RECEIVED OCLI-AMTERIA

Re: Statewide Rule 118 Hydrogen Sulfide Gas Contingency Plan Proposed Jackson Federal No. 1 Well 3C - C15 344/1

Dear Mr. Arrant:

In accordance with NMAC 19.15.3.118 C. (1) governing the determination of the hydrogen sulfide concentration in gaseous mixtures in each of its operations, Gruy Petroleum Management Co. does not anticipate that there will be enough H2S from the surface to the Morrow/Atoka formations to meet the OCD's minimum requirements for the submission of a contingency plan for the drilling and completion of the following test(s):

Jackson Federal No. 1 - 1310" FSL & 1310" FEL - Sec. 25-T17S-R30E

If anything further is needed regarding this issue, or if you have any questions, please feel free to contact the undersigned at 972-443-6489.

Yours truly,

Zeno Farris

Manager, Operations Administration

Zom Famin

and the company of th

Jackson Bed Hall No. 1 - 1310" FSL & 1310" FEL - God 25-T178-R30E

tours in the production of the contraction of the c