



Gruy Petroleum Management Co.

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A wholly-owned subsidiary of Magnum Hunter Resources, Inc., an American Stock Exchange company

November 2, 1999

New Mexico Oil Conservation Division
2040 S. Pacheco Street
Santa Fe New Mexico 87505

Re: Simultaneous Dedication
Cagle C No. 5 & Cagle C No. 4
SW/4 3-26S-37E
Lea County New Mexico
Jalmat Tansil-Yates-7 Rivers Gas Pool

Ladies and Gentlemen:

Please find enclosed a copy of the C-102 for the Gruy Petroleum Management Co. Cagle C No. 5 well, located in unit letter N of Section 3, Township 26 South, Range 37 East. The SW/4 of section 3 was previously approved as a non-standard proration unit in the Jalmat Gas Pool, by Administrative Order NSP-1642, dated January 9, 1992. The 160 acres is dedicated to Gruy's existing Cagle C No. 4 well, located in unit letter L of section 3, currently producing 15mcfd.

Gruy Petroleum Management Co. requests administrative approval to simultaneously dedicate the Cagle C No. 4 well with the newly proposed Cagle C No. 5 well. We have requested waiver of objection from offset operators by certified mail, dated November 2, 1999. We are enclosing for your reference a schedule of offset operators and a plat showing the proration unit boundaries.

Your consideration in this matter is greatly appreciated. If additional information is needed, please feel free to call or write the undersigned at (972)-443-6489.

Sincerely,

Zeno Farris
Manager, Operations Administration

cc: Oil Conservation Division - Hobbs