

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"

July 17, 2001

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe New Mexico 87505 Attn: Ms. Lori Wrotenbery

Re: Myers B 8 N/2NE/4, SW/4NE/4, 11-24S-36E Lea County New Mexico

Dear Ms. Wrotenbery:

The referenced well was permitted as a Langlie Mattix oil well, at an orthodox location of 2260' FNL and 2310' FEL of section 11-24S-36E. It was completed as a Jalmat gas well. The 120 acre spacing unit comprised of the N/2NE/4, SW/4NE/4 of section 11-24S-36E is dedicated to the Gruy Petroleum Management Co. Myers B 6 located 660' FNL and 660' FEL of section 11.

In this regard, Gruy Petroleum Management Co. is requesting administrative approval of the unorthodox Jalmat gas location of the Myers B 8 and for simultaneous dedication of the Myers B 8 and B6 wells in the 120-acre proration unit. A copy of this letter and attachments has been furnished by Certified Mail to offset operators as notice of this application.

If you have any questions or require additional information concerning this application, please contact me at 972-443-6489.

Yours truly,

Zerry Fami,

Zeno Farris Manager, Operations Administration

Cc: N.M.O.C.D. – Hobbs

