MAR Oil & Gas Corp P.O. Box 5155 Santa Fe, New Mexico 87502 505-989-1977 – Office

Oil Conservation Division 1220 South St, Francis Dr. Santa Fe, New Mexico 87505

RE: Agreed Compliance Order (ACO)

Ms. Gail MacQuesten:	The following wells are in Compliance Order.	compliance with Agreed
Eumont Hardy Unit No 49	API No 30-025-23859	January first production
Hill A No 8	API No 30-025-23941	January first production
Federal A No 2	API No 30-025-25115	March first production
Rich Unit No 1	API No 30-025-23510	May first production
Eumont Hardy Unit No 25	API No 30-025-07870	June first production
Eumont Hardy Unit No 37	API No 30-025-09902	July first injection
USM No 4	API No 30-025-24834	July first production
USM No 1	API No 30-025-24327	August first production

MAR has filed all the appropriate forms with OCD District I and BLM District office Roswell New Mexico. MAR is in compliance with the A.C.O. thru July 2005. If you have any questions please contact me at 505-989-1977 extension 103.

Sincerely:

Duane C. Winkler VP Operations

cc Mr. Billy Prichard



July 28, 2005