

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

July 5, 2005

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

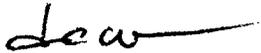
RE: Agreed Compliance Order (ACO)

Ms. Gail MacQuesten: The following wells are in compliance with Agreed Compliance Order.

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

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 June 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

