April 5, 2005

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 well is a non-compliance well identified by

the Agreed Compliance Order.

Federal A No 2

API No 30-025-25115

The above well was tested and initiated to production March 2005. MAR has filed the appropriate OCD forms with OCD District I and BLM office Roswell New Mexico. MAR is in compliance with the A.C.O. to April 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

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