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June 17, 2004

Oil Conservation Division
1301 W. Grande Ave.
Artesia, NM 88210

Attn: Bryan Arrant

RECEIVED

JUN 18 2004

OGD-ARTESIA

Re: Imperial 11 Stout #1
Eddy County, New Mexico

Ladies and Gentlemen:

Further to your telephone call yesterday concerning H2S related to the extension of the drilling permit for the above-referenced well (copy enclosed), no H2S is expected.

Very truly yours,



S. K. Lawlis
Vice President & Controller

Md/regulatory/imperial 11 stout h2s ltr