



February 1, 2005

Mr. Bryan Arrant
State of New Mexico
Oil Conservation Commission
1301 W. Grand Avenue
Artesia, New Mexico 88210

RECEIVED
FEB 07 2005
OCD-ARTESIA

RE: SMITH #2
660' FSL & 660' FWL
SEC. 23, T24S, R26E
EDDY CO., NM.
30-015-33946

Dear Bryan:

This letter is in reference to the OCD's requirements for H2S contingency plan for the above captioned well. No H2S is expected in the drilling of the above captioned well. H2S detection equipment will be installed prior to the top of the Delaware formation as a precautionary measure.

Very truly yours,

MURCHISON OIL & GAS, INC.

Michael S. Daugherty *ct*

Michael S. Daugherty
Vice President Operations

MSD/ct/Smith#2-OCDH2S