August 22, 2005

AUG 2 2 2005

Oil Conservation Division Attention: Mr. Bryan Arrant 1301 W. Grand Artesia, NM 88210

Re: H2S Contingency Plan

Eddy FV State #2, 30-015-22001

Section 25 T-20S R-30E; 1980 FSL 1980 FWL

Eddy County, NM

Dear Bryan:

Premier Oil & Gas is requesting an exemption to Rule 18 6H2S Contingency Plan) for our Delaware completion of the above well. The nearest Delaware field is the Avalon Delaware Unit (ADU) which is located approximately 1/2 mile from the unit boundary. The ADU produces sweet oil (no H2S) and associated gas without H2S. Premier is a working interest owner in the ADU. Furthermore, the nearest public area (Lake Avalon) is over two miles away and the nearest county road is ½ mile from the well site.

Should you have any questions, please call me at 505-748-2093. Thank you.

Sincerely.

Rosalie Jones