

E. G. L. Resources, Inc. 508 West Wall Street, Suite 1250 P.O. Box 10886 Midtand, Texas 79702 915.687.6560 telephone 915.682.5852 facsimile

July 7, 2003

RE: Rock Tank Federal No. 5 500' FNL & 2,265' FWL Sec. 12, Twp. 23-S, Rge. 24-E Eddy County, New Mexico

New Mexico Oil Conservation Division 1301 W. Grand Avenue Artesia, New Mexico 88210 Attn: Mr. Bryan Arrant

30-015. 32382

Dear Mr. Arrant:

I researched the gas production in the E. G. L. Resources, Inc. operated Upper and Lower Morrow Rock Tank Field area and have found no evidence of H2S present in this area. I reviewed the Duke Energy Field Service wellhead settlement statements as my source of information. The proposed well is not located near a public area or near a public road and does not present a risk that a Potentially Hazardous Volume of H₂S will be released.

Thank you for calling regarding this matter and please contact me if you need any additional information.

Sincerely.

John A. Langhoff Petroleum Engineer E.G.L. Resources, Inc.

JALfal CC: Wellfile