MAR Oil & Gas Corp P.O. Box 5155 Santa Fe, New Mexico 87502 505-989-1977 – Office

January 19, 2005

Oil Conservation Division 1220 South St, Francis Dr. Santa Fe, New Mexico 87505

RE:

Agreed Compliance Order (ACO)

Ms. Gail MacQuesten:

The following wells are non-compliance wells identified by

the Agreed Compliance Order.

Eumont Hard Unit No 49

API No 30-025-23859

Hill A No 8

API No 30-025-23941

The above wells have been tested and initiated to production January 2005. MAR has filed the appropriate OCD forms with OCD District I. MAR is in compliance with the ACO to March 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

