



**Marathon
Oil Company**

Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096
FAX: (713) 499-6750

January 3, 2006

New Mexico Oil Conservation Division
1301 W. Grand Avenue
Artesia, New Mexico 88210

RE: Indian Hills Unit No. 30

TO: Mr. Bryan Arrant,

RECEIVED

JAN 09 2006

OCU-ARTESIA

Dear Mr. Arrant,

30-015-31655

I am sending this letter as per our conversation on December 30, 2005. I have verified with our production engineers that Marathon does not expect to encounter any Hydrogen Sulfide gas in the Mississippian formation that we have proposed to test in the Indian Hills Unit No. 30 well. Marathon treats all wells in the Indian Basin field as having the potential to have sour gas present because of the presence of sour gas associated with the Upper Penn formation. We will be taking the same precautions with this well.

If you have any further questions please contact me @ 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

Charles E. Kendrix

Charles E. Kendrix
Engineering Technician
Marathon Oil Company