

Forest Oil Corporation

3504 West County Road Hobbs, New Mexico 88240



6/26/2006

Oil Conservation Division 1301 W Grand Artesia, New Mexico 88210

Attn: Gerry Guye

30-015-29452

Dear Gerry,

After researching the Skelly Unit #300 I didn't find anything wrong with it mechanically. I suppose it was just shut in due to overpressure. Unless you know something else about this well, I'll just add it to our letter to request TA status. This will be sent to you in the next couple of days. As soon as we receive your permits, we'll get started with the TA's.

Just to keep you informed we have a tentative promise of a P&A unit in the next few weeks. We'll see if this one comes through.

Respectfully,

Ron Ragland Forman

New Mexico Area

Non Naglan