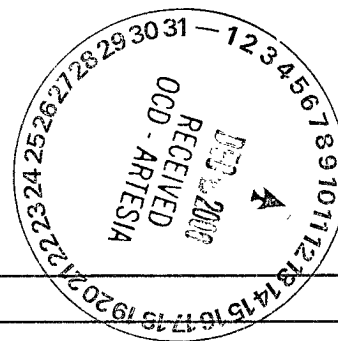




December 7, 2006

Oil Conservation Division
1301 W. Grande Ave.
Artesia, N.M. 88210

Attention: Bryan Arrant

RE: Moose Federal #1
1650' FNL & 2310' FEL
Section 35, T19S, R25E
Eddy County, New Mexico

30-015-35417

Moose Federal #2
990' FNL & 990' FWL
Section 35, T19S, R25E
Eddy County, New Mexico

Moose Federal #3
2310' FNL & 990' FWL
Section 35, T19S, R25E
Eddy County, New Mexico

Dear Bryan:

Marbob Energy has conducted a review to determine if an H2S contingency plan is required for the above referenced wells. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore we do not believe that an H2S Contingency Plan would be necessary.

Please advise us if you feel differently or need further information.

Sincerely,

Nancy Agnew

Nancy Agnew
Land Department

/na