

August 9, 2004

Oil Conservation Division 1301 W. Grand Ave. Artesia, NM 88210

Attention: Bryan Arrant

Re: D State No. 37 - 2305' FSL & 330' FWL, Section 35 30-015-3341%

D State No. 38 – 1655' FSL & 990' FWL, Section 35

Township 17S, Range 28E, Eddy County, NM

Dear Bryan:

We plan to complete in the Yeso which is sweet and <u>we don't anticipate cutting</u> <u>any formations that contain H2S gas</u> during the drilling of the above referenced well. Therefore, we do not believe that an H2S contingency plan is necessary.

If you have questions or need further information, please call.

Sincerely,

Melanie J. Parker Land Department

/mp