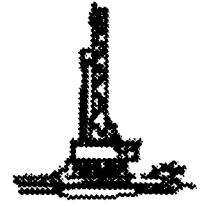




SNOW OIL & GAS, INC.

P. O. Box 1277, Andrews, Texas 79714
Phone: (915)524-2371 Fax: (915)524-4993



October 23, 2003

Oil Conservation Division
Attn: Van Barton
1301 W. Grand Avenue
Artesia, NM 88210

Via Fax: 505-748-9720
Original to follow US Postal Service

Re: NOTICE OF VIOLATION
Elizondo "A" Fed No.2
1940' FNL & 2020' FWL
Sec 28, T21S, R27E
Eddy County, New Mexico

30-015-31978



Dear Mr. Barton,

This letter serves as our notification to you that Snow Oil & Gas, Inc. is in receipt of both "Notice of Violation" to rules 201-203. Enclosed you will find copies of our completion report mailed to the OCD on August 14, 2002.

As you and I discussed the well is shut in pending the outcome of the case on the Tucker Fee #1Y (New Mexico OCD Case No. 13115). Upon the information of the case, Snow Oil & Gas, Inc. will then make a determination as to how to pursue the Elizondo "A" Federal #2.

Please advise if any further information is needed on this.

Sincerely,
SNOW OIL & GAS, INC.

Dana Brown
Administrative Asst.

Enclosures