

PERMIAN RESOURCES, INC.

March 12, 2004

David Petroleum Corp.
Attn: Mr. Bill Owen
116 W. First St.
Roswell, New Mexico 88203

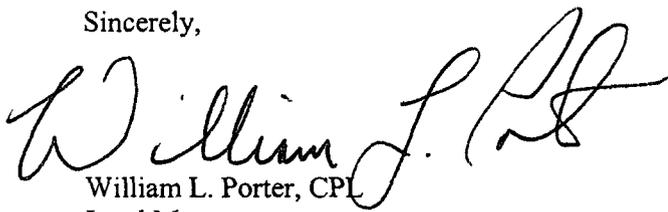
Re: Notice and Request for Waiver
Application for Unorthodox Location
and Non-Standard Proration Unit
Berry Hobbs Unit 17-1
E/2 Section 17, T-16-S, R-36-E
Lea County, New Mexico

Dear Bill:

Permian Resources, Inc. has made application to the New Mexico Oil Conservation Division for an unorthodox location and non-standard proration unit for the captioned well. The well is in an ~~undesigned field~~ which requires the Berry Hobbs Unit 17-1 to be 660' from the lease lines. The well is 2490' FSL and 1850' FEL, making it unorthodox to the SE/4 of the section. Further, in an attempt to make a Strawn completion, a non-standard proration unit of the SW/4 of the NE/4 and the NW/4 of the SE/4 has been requested. Records show David Petroleum Corporation to be the operator and/or leasehold owner in the offset acreage to the referenced. As the operator/owner of record, you are hereby given notice of said application.

In addition, please consider this letter as a formal request for David Petroleum Corporation's waiver of protest to Permian's application. Please sign in the space provided indicating David Petroleum Corporation's waiver of protest and return to me by facsimile to (432) 685-3621 at your earliest convenience.

Sincerely,



William L. Porter, CPL
Land Manager

David Petroleum Corporation hereby agrees to a Waiver of Protest this 15th day of March, 2004.

DAVID PETROLEUM CORPORATION

By:



William B. Owen

Its: Land Manager

BEFORE THE COMMISSION
Santa Fe, New Mexico
Case No. 13175 Exhibit No. 2
Submitted by:
PERMIAN RESOURCES, INC.
Hearing Date: March 18, 2004

P.O. BOX 590 • MIDLAND, TEXAS 79702-0590
PHONE: (432) 685-0113 • FAX: (432) 685-3621