

March 13, 1997

Mr. Michael Stogner
Oil Conservation Division
NM Dept. of Energy, Minerals and Natural Resources
2040 South Pacheco
Santa Fe, NM 87503

Re: Case #11738 *m.s.*

Dear Mr. Stogner:

Pursuant to your request, please find copies of letters we recently sent to Larry Hunnicutt and Harle, Inc. We will forward copies of their signed letters to you once they are received in our office.

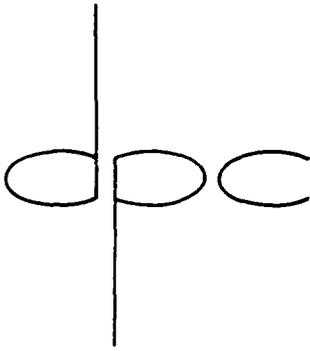
Thank you for your assistance.

Sincerely,


Bill Owen
Land Manager

cc: Bill Carr

DAVID PETROLEUM CORP.
EDWARD N. DAVID, VICE PRESIDENT
Professional Landman
Off. 505/622-8850
Fax: 505/623-1801
Res. 505/624-0558
116 West First
Roswell, New Mexico 88201



March 13, 1997

Mr. Larry Hunnicutt
200 West First Street, Suite 200
Roswell, NM 88201

Re: Shell Lusk ANB #1
T-16-S, R-35-E, NMPM
Section 11: E/2NW/4, SW/4NW/4
Lea County, New Mexico
Net Acres: .1625

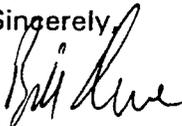
Dear Larry:

As you recall, we contacted you last summer pertaining to your referenced mineral interest. At that time and in subsequent conversations, you indicated you would either join in the drilling of a well or give us a short-term lease covering your mineral interest.

We recently had our hearing before the Oil Conservation Division in Santa Fe for pooling and a possible unorthodox location. An AFE for the drilling of the Shell Lusk ANB #1 well was sent to you when you were notified about the hearing. In a effort to finalize your election, please indicate below whether you wish to join in the drilling of the well or lease your interest.

Please forward one copy of this letter to us at your earliest convenience. Should you have any questions, please do not hesitate to give me a call.

Sincerely,



Bill Owen
Land Manager

I hereby elect to participate in the drilling of the
Shell Lusk ANB #1 well. My interest in the well will be .05%.

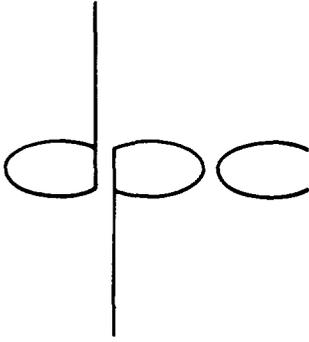
I hereby elect to lease my .1625 mineral acre interest.

Larry Hunnicutt

Date: _____

cc: Bill Carr
Michael Stogner

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Professional Landman
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Roswell, New Mexico 88201



March 13, 1997

VIA FAX TRANSMITTAL
503-245-0825

Harle, Inc.
1504 Hess Creek Court
Newberg, OR 97132

Attention: Dave Harle, President

Re: Shell Lusk ANB #1
T-16-S, R-35-E, NMPM
Section 11: E/2NW/4, SW/4NW/4
Lea County, New Mexico
Net Acres: .1625

Dear Dave:

As you recall, we contacted you last summer pertaining to your referenced mineral interest. At that time and in subsequent conversations, you indicated you would either join in the drilling of a well or give us a short-term lease covering your mineral interest.

We recently had our hearing before the Oil Conservation Division in Santa Fe for pooling and a possible unorthodox location. An AFE for the drilling of the Shell Lusk ANB #1 well was sent to you when you were notified about the hearing. In a effort to finalize your election, please indicate below whether you wish to join in the drilling of the well or lease your interest.

Please forward one copy of this letter to us at your earliest convenience. Should you have any questions, please do not hesitate to give me a call.

Sincerely,


Bill Owen
Land Manager

I hereby elect to participate in the drilling of the
Shell Lusk ANB #1 well. My interest in the well will be .05%.

I hereby elect to lease my .1625 mineral acre interest.

HARLE, INC.

By _____
Dave Harle, President

Date: _____

cc: Bill Carr
Michael Stogner

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