



## EXCO Resources, Inc.

1775 Sherman Street • Suite 2650 • Denver, Colorado 80203

Phone (303) 830-1490 • FAX (303) 831-1397

Exhibit 2c

June 1, 2001

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Eland Energy, Inc.  
Providence Energy Corporation  
C/O Eland Energy, Inc.  
8150 North Central Expressway, Suite 400  
Dallas, Tx 75206  
Attn: Mr. Kyle Wood

**Re:** Rose Federal #16 Well  
SWSW Sec. 20 T5S-R25E  
Pecos Slope Prospect  
Chaves County, New Mexico

Gentlemen:

EXCO Resources, Inc., (EXCO) proposes to drill the Rose Federal #16, a second Abo well in the spacing unit in the SW/4 of Section 20, Township 5 South, Range 25 East to be located 660' FSL, 660' FWL (SWSW) of Section 20. Exco will drill this well to a depth of 4,150' or to a depth sufficient to adequately test the Abo Formation, whichever is the lesser depth.

Enclosed is a proposed Operating Agreement in compliance with the 1983 Exploration Agreement between Depco and NICO which this acreage is subject to. As we have discussed, the operating agreement governing these lands and the Rose Federal #8-K, could not be located in either of our offices.

We anticipate drilling the five Rose Federal wells that we are proposing, by the end of this year at the latest. We anticipate having a rig in the area in July, so your earliest response is appreciated.

Please indicate your election to participate by signing and dating the election page for this well, the enclosed AFE and signature page to the Operating Agreement, if appropriate, and return one copy of each to the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Gayle A. Baker".

Gayle A. Baker, CPL  
Consulting Landman

June 1, 2001  
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Rose Federal #16

**Election:**                    **Rose Federal #16 Well**

COMPANY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

\_\_\_\_\_ We elect to participate for our proportionate share in the drilling of  
the Rose Federal #16 well.

\_\_\_\_\_ We elect **not** to participate for our proportionate share in the drilling  
of the Rose Federal #16 well.