

August 1, 1997

VIA FACSIMILE 915-686-8235
AND CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Nearburg Exploration Company, L.L.C.
3300 North A Street, Building 2, Suite 120
Midland, TX 79705

Attention: Robert G. Shelton

Re: Application of David Petroleum Corp.
for Unorthodox Location,
Strawn Test Well
Lea County, New Mexico

Dear Bob:

This letter is to advise you that David Petroleum Corp. (DPC) has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location of a Strawn test well which David proposes to drill 1250' from the south line and 1200 feet from the east line of Section 36: T-16-S, R-37-E, NMPM, Lea County, NM.

This application has been set for hearing before a Division Examiner August 7, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the Order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. If you do not object to this application, please so indicate by signing the waiver provided below and return a copy of this letter to me in the enclosed envelope and by facsimile.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 pm on the Friday before a scheduled hearing.


Sincerely,


Bill Owen
Land Manager

cc: William F. Carr
Attorney for DPC

WAIVER OF OBJECTION:

NEARBURG EXPLORATION COMPANY, L.L.C.

By 
Title A-F-P
Date 8/4/97

DAVID PETROLEUM CORP.
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