CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
JACK M. CAMPBELL

OF COUNSEL

JEFFERSON PLACE
SUITE I - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208

TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

August 19, 1997

CERTIFIED MAIL RETURN RECEIPT REQUESTED

F. Howard Walsh, Jr. 500 W. Seventh, Suite 1007 Ft. Worth, Texas 76102-4782

Re: Application of David Petroleum Corp., for Administrative Approval of an Unorthodox Well Location for its Conoco State Well No. 1 to be drilled 1250 feet from the South line and 1200 feet from the East line of Section 36, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico

Dear Mr. Walsh:

Enclosed is a copy of the above-referenced application which was filed with the Oil Conservation Division on this date by David Petroleum Corp., for administrative approval of an unorthodox well location for its proposed Conoco State Well No. 1 to be drilled 1250 feet from the South line and 1200 feet from the East line of Section 36, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

As the owner of an interest which will be affected by the proposed well, you may object to this application. Objections must be filed in writing at the Division's Santa Fe office within twenty days from the date this notice was sent. If no objection is received within twenty days after the Division Director receives this application, the unorthodox location may be approved.

Very truly yours,

WILLIAM F. CARR

PAUL R. OWEN WFC/PRO:mlh

enc.