

Oil Reports and Gas Services, Inc.

P.O. BOX 755

HOBBS, NEW MEXICO 88241

PHONE NUMBERS
393-2727 - 393-2017

August 2, 1996

Shell Western E & P, Inc.
P. O. Box 576
Houston, Texas 77001-0576
Attention: Land Department

Non-Standard Location-Gas Spacing and Proration Unit
Erwin Oil & Gas Ltd., Inc.
Quarry #1, API #30-025-32297
1980' FEL & 890' FWL
Unit L, Sec 19 T18S R38E, Lea County, New Mexico
Bowers Yates Seven Rivers (current)
Undesignated Byers-Yates Gas Pool (proposed)

Gentlemen:

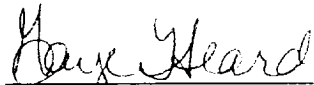
Erwin Oil & Gas Ltd., Inc. is applying for a Non-Standard Location-Gas Spacing and Proration Unit for 40 acres more or less on the captioned well in order to recomplete from the Bowers-Seven Rivers Oil Pool to the Byers-Yates Gas Pool. Enclosed are copies of a C-101, C-102, a area map circumferencing the well and the letter to the Oil Conservation Division, Santa Fe, Mr. Michael Stogner.

This letter serves as notice by Erwin Oil & Gas Ltd., Inc. of its stated intention for application. As an offset operator, please indicate your approval in the area provided and return this letter as soon as possible.

Thank you for your prompt reply to this matter.

Yours very truly,

OIL REPORTS & GAS SERVICES, INC.



Gaye Heard-Manager for Oil Reports &
Gas Services, Inc.-Agent for Erwin
Oil & Gas Ltd., Inc.

Enclosures (4)

cc: Oil Conservation Division-Mr. Mike Stogner-Santa Fe
Oil Conservation Division-Hobbs
Erwin Oil & Gas Ltd., Inc.-Hobbs