



SANDLIN OIL CORPORATION



621 17th Street, Suite 2055
Denver, Colorado 80293
Phone 303-292-3313
Fax 303-292-3969

June 2, 2004

Fax 877-287 0925 7 pages
Schram-Hilgers, L. P., Jolly Schram
6055 Diamond Head Drive
Austin, Texas, 78746

Re: Re-Entry Mayberry No. 1
NE NW Section 10-T34S, R41W
Baca County, Colorado



Dear Mrs. Schram:

Sandlin Oil Corporation plans to re-enter the old well as described above, which was drilled in 1968, on or before June 30, 2004.

As required by the Oil and Gas Conservation Commission in Colorado, we enclose the brochure for surface owners regarding oil and gas operations on the surface of the land.

We also enclose the Notice Requirement 305 which needs to be signed by you and returned to our office for further handling. We will send you our check in the amount of \$1,000.00 for surface damages, for this re-entry for the drilling, completing and producing of said well.

Please execute the Rule 305 and fax ^{to} to our office so we might commence the required paperwork to be filed with the Oil and Gas Commission to start this re-entry. The 305 is required so we can move in before the 30 day notice within the oil and gas rules and regulations. The 306 shows the access to this well.

We have a rig in the area doing another well which is staring tomorrow and would like to move over to your location immediately after completion of the first well.

If you have any questions, please feel free to contact Gary Sandlin or myself at the above telephone number.

Thank you for your prompt attention to this request.

Sincerely,

SANDLIN OIL CORPORATION

Kathie D. Sandlin

Kathie D. Sandlin

KDS:s
Enclosures as stated.