



August 29, 2005

BY FAX AND OVERNIGHT MAIL

Mr. Darrell Echols
United States Department of the Interior
National Park Service
Padre Island National Seashore
P. O. Box 181300
Corpus Christi, Texas 78480-1300

Re: L3025 (PAIS)
Notification of Commencement of Operations
Dunn McCampbell Lease
Dunn-Peach No. 4 and No. 3 Wells
Kleberg and Kenedy Counties, Texas

Dear Mr. Echols:

Pursuant to that certain letter dated January 25, 2005, relative to the Approval of BNP Petroleum Corporation's Plan of Operations for the Dunn-Peach #2-6 Well Plan at Padre Island National Seashore, BNP is hereby notifying the National Park Service ("NPS") of its intent to commence drilling operations on or around the middle of September, 2005. BNP has secured Rig #3 from Big E Drilling Company to drill the Dunn-Peach #4 and #3 Wells. The Big E Rig #3 will move in on the Dunn-Peach No. 4 well and commence drilling operations. Upon completion of the No. 4 well, BNP will utilize the same rig and drill the Dunn-Peach No. 3 well. Notification of names, addresses and telephone numbers on responsible parties with BNP and Big E Drilling Company will be supplied once the rig is in route to Padre Island from its current location and prior to any entry onto the National Seashore.

Once we are closer to the actual time the rig is being moved to Padre Island, BNP will provide the National Park Service information pertaining to the number of days we will be on each well site, the number of trucks needed to carry equipment and supplies for initial operations, and the number of trucks each week which will carry fuel, oil base mud, cuttings and tools to each well location. All operations will be conducted in accordance with BNP's previously approved Plan of Operations.

For your information, we are supplying the following two attachments which depict the following information:

Attachment I Dunn-Peach Well No. 4 Proposed Well Location Plat
Attachment II Dunn-Peach Well No. 3 (Shallow) Proposed Well Location Plat

You will note BNP's original bottom hole objectives for the Dunn-Peach No. 4 and the Dunn-Peach No. 3 have changed slightly from the location indicated in prior planning documents. This will in no way cause any impacts to park resources that were not contemplated in the original Plan of Operations and the review and analysis thereof. Indeed, surface activities will not be modified at all as a result of the change in bottom hole location for each well.

All vehicles used during BNP's drilling activities will utilize Park Road 22 approximately 10 miles and then proceed approximately 6.9 miles along the Gulf Beach to a-gated dune pass, and an existing shell/caliche road that extends approximately 4 miles to the drill site. We understand only 20 large trucks are allowed to travel to the well site each day. BNP will hire and pay one vehicle monitor that will utilize an All Terrain Vehicle while escorting all large vehicles larger than a pick-up truck or a pick-up truck with a trailer traveling to and from the well site. BNP will notify the NPS when the trucks reach a point which requires the above service traveling to the well site and assure safe travel through the Padre Island National Park area.

BNP Petroleum Williams Tower 2800 Post Oak Boulevard, Suite 5300 Houston, Texas 77056
Phone: 713.572.6400 Fax: 713.572.6401

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If further information is needed, please contact Bill Chemerinski at 713-202-1532, or the undersigned at 713-572-6400 Ext. 1206.

Sincerely,

BNP PETROLEUM CORPORATION



Helen Hannon
Land Department

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Attachments

cc: Paul Black
Scott Taylor