



TEXAS

GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

November 19, 2004

Ms. Shirley Rooney
Novus Oil & Gas Texas, LLC.
10375 Richmond Ave.
Houston, Texas 77042

Re: State Leases

State Tracts 998-S (M-102099, M-102168), 999-S (M-102100), 1000-S (M-102101, M-102102, M-102103), 1001-S (M-102169, M-102170), 1007-S (M-102104, M-102105), and 1008-S (M-102106), Gulf of Mexico
Kenedy County, Texas

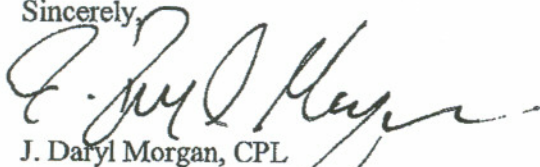
Dear Ms. Rooney:

We hereby acknowledge receipt of your letter of November 17, 2004, requesting verification of the anniversary dates and end of primary terms for the referenced State Leases. These leases had their primary terms suspended on two separate occasions.

The first year anniversary date for leases M-102099 through M-102106 was on October 5, 2003, and for leases M-102168 through M-102170 was on December 28, 2003. I have enclosed copies of letters that were sent to BNP with similar information. With the suspensions the new rental due dates are October 5th and December 28th respectively and the expiration of the primary terms will be on these dates in the year 2007.

Please let me know if you have any questions, or need any additional information.

Sincerely,



J. Daryl Morgan, CPL
Energy Resources Division
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