

ENRON Oil & Gas Company

Lewis P. Chandler, Jr.
Senior Vice President, Law

October 24, 1996

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United States Department of the Interior
National Park Service
Padre Island National Seashore
9405 South Padre Island Drive
Corpus Christi, Texas 78418
Attn: Mr. Paul Eubank

RE: Plan of Operation submitted by Amoco Production Company and approved by Padre Island National Seashore dated November 6, 1987, for the Operation of Oil and Gas Wells within the S. Sprint Fieldwide Gas Unit, Kleberg County, Texas (Amoco Contract #120,121)

Gentlemen:

Enron Oil & Gas Company ("Enron") provides this notice that it has entered into a Purchase and Sale Agreement, dated October 11, 1996, with Amoco Production Company ("Amoco") which provides for an assignment of all of Amoco's interest in the following facilities which are currently being operated by Amoco pursuant to the terms of the captioned "Plan of Operation":

South Sprint Temporary Fieldwide Gas Unit Well 1
South Sprint Temporary Fieldwide Gas Unit Well 2
South Sprint Temporary Fieldwide Gas Unit Well 3

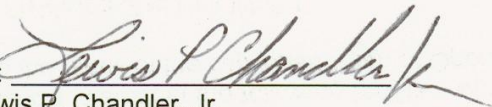
All of the facilities being operated by Amoco pursuant to the captioned Plan of Operation will be assigned to Enron. The transfer of ownership is projected to occur on or about October 31, 1996, with an effective date of October 1, 1996.

Please be advised that pursuant to 36 CFR Ch. 1, Subpart B, Section 9.38, Enron hereby requests temporary approval to continue operation of the subject facilities in accordance with applicable laws and regulations and in the manner prescribed by the Field Director.

Please do not hesitate to contact Steve Coleman, Division Exploitation Coordinator, at (512) 887-2681, if you require any additional information or have any questions in connection with this matter.

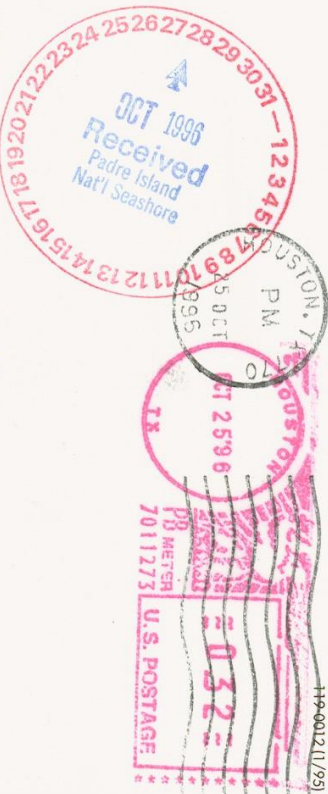
Sincerely,

ENRON OIL & GAS COMPANY

By: 
Lewis P. Chandler, Jr.
Sr. Vice President, Law

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