

VETERAN EXPLORATION, INC

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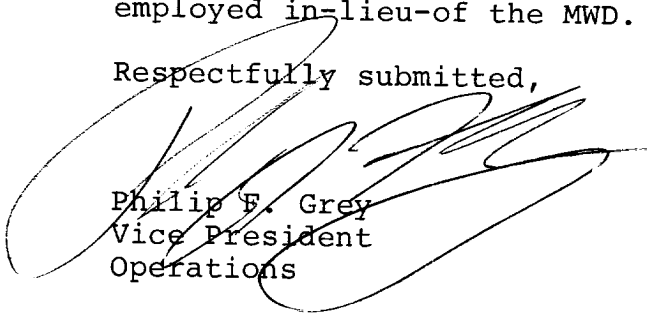
Bureau of Land Management
Rio Puerco Resource Area
435 Montano N.E.
Albuquerque, NM 87107

Re: San Isidro 15-7A
Horizontal Bottomhole Location

Gentlemen:

In regard to the survey equipment used to determine bottomhole location in the San Isidro 15-7A. Veteran plans to utilize a MWD (Measurement While Drilling) tool to determine bottomhole location. If failure of that tool occurs, a multi-shot survey tool will be employed in-lieu-of the MWD.

Respectfully submitted,



Philip F. Grey
Vice President
Operations

PFG:kbs