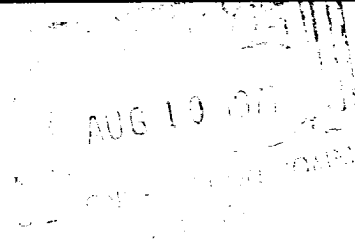


**Bennett
Petroleum
Corporation**

The Denver Center Building
1776 Lincoln Street, Suite 808
Denver, Colorado 80203
303/572/7671

August 8, 1977



Mr. C. G. Ulvog
Geologist and Oil and Gas Supervisor
State of New Mexico
Oil and Gas Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Bennett Petroleum Corporation
No. 1 Phelps Dodge
1980' FEL and 1980' FSL,
Section 24, T. 28N., R. 20E.
Colfax County, New Mexico

Dear Mr. Ulvog:

We are sorry you found it necessary to call because we failed to advise you of the date the No. 1 Phelps Dodge well was spudded. The well was spudded at 8:40 a.m., August 3, 1977. This is the first time we have drilled in New Mexico and we are not aware of this regulation.

The well is presently drilling and we would like to keep all data derived "tite." The No. 2 Phelps Dodge has not yet been spudded, and we will advise you on the day this well is started.

There were no deviations in the casing size, etc., reported on Form C-101 approved by your office on the No. 1 Phelps Dodge.

Very truly yours,

R. E. Bennett
President