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April 7, 1997

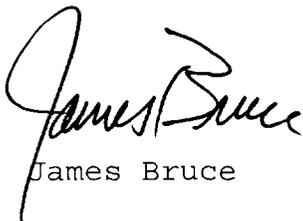
Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Case No. 11757; Application of Amoco Production Company
for an Exception to Division Rule 402 (Bravo Dome Unit)

Dear Mr. Stogner:

Enclosed is the original letter of Amerada Hess to the Division regarding its position in the above case, which I submitted as Exhibit 1 at the hearing. I ask that you place this in the file. Thank you.

Very truly yours,


James Bruce

AMERADA HESS CORPORATION

500 DALLAS
HOUSTON, TEXAS 77002
Phone 713 609-5000
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April 2, 1997

**VIA FACSIMILE
& FEDERAL EXPRESS**

Oil Conservation Division
for the State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Case 11757; Application of Amoco Production Company for an exception to Division Rule 402, Bravo Dome Unit.

Gentlemen:

We have been advised that Amoco Production Company ("Amoco") seeks an exception to Division Rule 402 with respect to the Bravo Dome Unit as currently developed as of the date hereof in order to permit Amoco to conduct bottom hole pressure tests on one well per township each year, rather than the current requirement of a test on each well per section each year.

Please be advised that as operator of West Bravo Dome Carbon Dioxide Unit, Amerada Hess Corporation ("AHC") has no objection to Amoco's request for such an exception *to the extent and only to the extent* that the exception to Rule 402 shall apply only to Amoco's testing obligations with respect to the currently drilled and producing wells in the Bravo Dome Unit. AHC expressly reserves the right to object to any request for such an exception to Rule 402 to the extent it may apply to any wells drilled and/or producing after the date hereof either within or without the boundaries of the Bravo Dome Unit, including, without limitation, any wells which may be drilled and/or producing after the date hereof as a result of development of West Bravo Dome or the west area of Bravo Dome Unit.

Very truly yours,


Steven B. Mendenhall

cc: R. L. Cawood