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September 11, 1990

HAND-DELIVERED

Mr. Michael E. Stogner
Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87501



Re: Application of BASF Corporation for Amendment of Order No. R-9255 to Change the Surface Location of the Ute Mt. Tribal "28" Well No. 14, San Juan County, New Mexico

Dear Mr. Stogner:

Please treat this letter as the application of BASF Corporation to amend Division Order No. R-9255 which was entered in Case No. 10023 which approved a horizontal directional drilling pilot project in the S/2 SW/4 of Section 28, Township 31 North, Range 14 West, Undesignated Verde-Gallup Oil Pool, San Juan County, New Mexico and authorized the drilling of the Ute Mt. Tribal "28" Well No. 14 at an unorthodox surface location 1250 feet from the South line and 1100 feet from the West line of said Section 28.

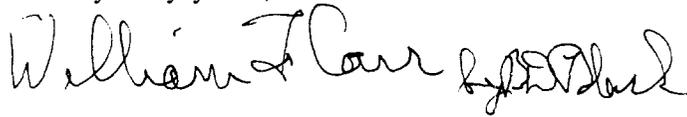
BASF Corporation has been unable to locate this well as previously planned and due to a rock outcrop has to move the surface location to a point 1284 feet from the South line and 1112 feet from the West line of said Section 28.

Mr. Michael E. Stogner
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This well and project area are within the Ute Reservation and BASF controls all offsetting acreage.

Your attention to this matter is appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "William F. Carr" followed by a flourish.

WILLIAM F. CARR
ATTORNEY FOR BASF CORPORATION

WFC:mlh

cc: Mr. Ed Spinks
BASF Corporation
5 Post Oak Park, Suite 800
Houston, Texas 77027