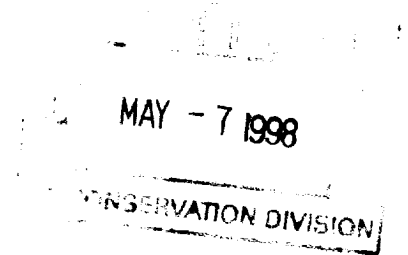




Amoco E & P Sector
P. O. Box 303
Amistad, NM 88410

May 5, 1998

Roy Johnson, District Supervisor
C/O New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Bravo Dome Carbon Dioxide Gas Unit
Well No. 1935-272E
Union County, New Mexico

Roy,

Per our telephone conversation on Saturday, May 2, our drilling contractor mistakenly drilled the above referenced well 15 feet north and 1 foot east of the staked and permitted location. This well was staked and permitted at Unit Letter E, Section 27, T19N, R35E, 1679' from the north line and 957' from the west line, Union County, New Mexico. It was actually drilled at Unit Letter E, Section 27, T19N, R35E, 1664' from the north line and 958' from the west line, Union County, New Mexico. Per our telephone conversation, verbal approval was received for continuation of drilling this well in the revised location. Attached is the requested C-103 seeking formal approval to move this location.

We have reviewed this matter with our drilling contractor and the remaining 12 wells in this drilling package will be drilled as staked. If you need additional information or have any questions, please contact me at (505) 374-3010.

Sincerely,

Danny J. Holcomb
Field Team Leader
Bravo Dome Operations Center

Attachment

cc: Sam Culpepper - Houston
Mike Preston - Houston
Well File