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September 11, 1996

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Amoco Production Company Post Office Box 4891 Houston, Texas 77210

RE: Non-Standard Location Approval Proposed 2500' San Andres Test Eagle "330" Federal #11 990' FSL & 2410' FEL Section O-33-T17S-R27E Eddy County, New Mexico

Gentlemen:

We have applied for a permit to drill the referenced well. This unorthodox location was due to pipeline and topography problems. The proposed well site is in the West Red Lake Area in Eddy County, New Mexico, and offsets your lease hold in Section 33-T17S-R27E.

The NMOCD Non-Standard Location Approval process requires that we notify offset lease holders and submit Proof of Notice.