



Bonneville Fuels Corporation

Dec. 5, 1998

Oil Conservation Division of the State of New Mexico
Attn.: Mr. Tim Gumm
PO Drawer DD
Artesia, New Mexico 88211
Phone: (505) 748-1283

Re: Request For APD Approval of a Revised Non-Standard Location
Soapberry Draw State Com. 7-#1

Dear Mr. Gumm:

On September 10, 1998 Bonneville Fuels Corporation went to the field and staked a non-standard location for the Soapberry Draw State Com. 7-#1 well at 2479' FWL & 720' FSL, Unit 'K', Section 7, T.21S., R.26E., Eddy County, New Mexico. A proposed location exception was already granted by the NMOCD at 2630' FEL & 990' FSL, at BFC request (Order No.: NSL-4130), but fell on fee owned land (surface only) with parts of the location less than 150' from the fee owner's residence. BFC reviewed the geology and surface owner concerns and staked the well and location entirely on State surface (fee owner is grazing lessee) with a minimum distance to residence of 400' and a substantial berm being erected to minimize sound impacts. BFC was trying to be a good neighbor to the fee owner AND encounter the geologic resource.

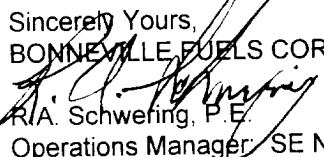
Bonneville Fuels Corporation is the Lessee of Record (100%) of two (2) State of New Mexico Oil and Gas Leases which together constitute the entire south half of Section 7, T.21S., R.26E., NMPM, Eddy County, New Mexico. These leases are as follows:

40.00 Acres	Tract No. V0-O-0002	Beneficiary: MI (NMMI)	Legals: NE/4 SE/4
40.00 Acres	Tract No. V0-O-0003	Beneficiary: CS (Common Schools)	Legals: Lot 3
40.00 Acres	Tract No. V0-O-0003	Beneficiary: CS (Common Schools)	Legals: Lot 4
80.00 Acres	Tract No. V0-O-0003	Beneficiary: CS (Common Schools)	Legals: E/2 SW/4
80.00 Acres	Tract No. V0-O-0003	Beneficiary: CS (Common Schools)	Legals: W/2 SE/4
40.00 Acres	Tract No. V0-O-0003	Beneficiary: CS (Common Schools)	Legals: SE/4 SE/4

BFC received verbal approval for a revised NSL-4130 at the staked location from Mr. Mike Stogner on 12/4/98. I will fax this amended order to you as soon as I receive it. Please grant this APD Request as soon as possible - if it is acceptable. I am having Sweatt Construction deliver it to the NMOCD. Mr. Sweatt can answer any questions you may have about construction of facilities - he will be doing the work.

Tim, I would really appreciate your immediate attention to this matter as I need to commence location construction within the next 10 days if at all possible.

Call me if you have any questions (303) 376-2564 or if BFC needs to provide any additional materials. Please respond to this request by fax ASAP @ (303) 863-1558.

Sincerely Yours,

BONNEVILLE FUELS CORPORATION
R.A. Schwering, P.E.
Operations Manager SE NM

Attachments: Form C-101 & Form C102 & Attachments.
Cc: Well File