

July 21, 2003

Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Attention: Mr. David Catanach

Re: Carson No. 2

Section 7, T30N, R4W, NMPM, Rio Arriba County, New Mexico

Dear Mr. Catanach:

I am writing to address errors made in my letter dated July 10, 2003, to Ms. Lori Wrotenbery requesting administrative approval to down-hole commingle the subject well.

I apologize for using an outdated form C-107-A. Our company updated Eagleforms for Windows in April 2003 and was not aware of any revision of the form. I appreciate you accepting the form that I sent in with our request.

You are correct that the Carson #2 Mesaverde/Gallup commingling was approved by Division Order No. R-10426 dated June 15, 1995. I modeled the letter after another well and failed to change the order number. The Mesaverde/Gallup allocation will stay the same as in the attached letter signed by Ernie Busch, dated June 29, 1999.

If you have any questions or need more information, please contact me at 505-566-4680.

Sincerely,

Charlie Donahue District Engineer