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April 27, 1998 APR 30 AM 6:33

Wait
Change may 21

Mr. A. L. Porter, Jr. Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Our letter to you of April 16, 1962 requesting administrative approval to drill an unorthodox location 700'/fsl and 790'/fwl of Section 11, T29N - R13W, San Juan County, New Mexico was in error. We stated that Redfern & Herd, Inc. planned to dedicate the E/2 of Section 11. We should have stated that they planned to dedicate the S/2. The SW/4 of Section 11 does not offer a suitable drilling location because of a housing development, east main street, San Juan Boulevard, D&RGW Railroad, offices, warehouses and other industrial development in this area. We have selected what we feel is the best location for the S/2 of Section 11.

Redfern & Herd is requesting administrative approval to drill the unorthodox location 700'/fel and 790'/fwl Section 11, T29N - Rl3W, San Juan County, New Mexico.

Pan American is the operator of the proration unit to the south and east and we have sent a copy of this letter by registered mail to them.

Very truly yours,

T. A. Dugan

TAD:plm

cc: Mr. Emery Arnold
Pan American Petroleum Corp.
Redfern & Herd, Inc.