7-27-98

TO: Mr. Michael E. Stogner Oil Conservation Division Santa Fe, New Mexico FAX #505-827-1389

#12026

9156886007

FR: Maria L. Perez Burlington Resources Oil & Gas Company Midland, Texas Tel. No. 915-688-6906 Fax No. 915-688-6007

RE: Request for Hearing Corral Draw 10 Federal #1 Surf. Loc.: SE/4 SW/4, UL-N, Sec. 10, T25S, R29E Eddy County, New Mexico Lse. #NM 15303

Mike,

This is the well I was talking to you about this morning where Penwell Energy, Inc. call us and said they had no objection to our sub-surface unorthodox vertical bottom hole location application. However, in exchange for them having no objection, they wanted us to provide all the well information to them when ever this well was drilled and completed.

We are planning to call Penwell back to tell them they cannot have the well information. Because we have a deadline date to meet to spud this well and not knowing if Penwell will protest or not, please place this proposed new drill location on the Hearing Docket for the first available date in August.

If we do not get a protest from Penwell, we will cancel the hearing docket date.

Muchas gracias,