OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

4W 25 337

June 23, 1995

Santa Fe Energy Resources, Inc. c/o James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504-1056

Re:

Application of Santa Fe Energy Resources, Inc. for an unorthodox oil well location for the Weems Well No. 1 (API No. 30-015-24827), 990'FNL & 1330'FWL (Unit C) of Section 27, Township 22 South, Range 27 East, NMPM, Undesignated Wye-Delaware Pool.

Dear Mr. Bruce:

Please indicate the difference, if any, between the royalty and overriding royalty interest in the NE/4 NW/4 (Unit C) and the NW/4 NW/4 (Unit D) of said Section 27. Should there be a difference how can correlative rights best be protected in this instance?

Should you have any questions, please contact me at (505) 827-8185. Thank you.

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer