

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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AUG 24 1995

APPLICATION OF SANTA FE ENERGY
RESOURCES, INC. FOR AN UNORTHODOX
OIL WELL LOCATION, LEA COUNTY,
NEW MEXICO

Oil Conservation Division
NO. 11384

APPLICATION

Santa Fe Energy Resources, Inc., hereby makes application for an order approving an unorthodox oil well location, and in support thereof states:

1. Applicant is the operator of Lot 2 (NW $\frac{1}{4}$ NE $\frac{1}{4}$ equivalent) of Section 6, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

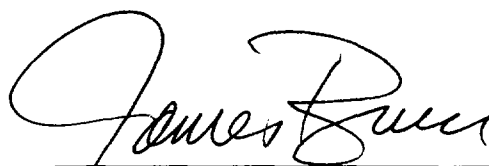
2. Applicant proposes to drill its Mesa Verde 6 Fed. Well No. 7 at an unorthodox location 660 feet from the North line and 2540 feet from the East line of Section 6, to a depth sufficient to test the Bone Spring formation, at approximately 8950 feet subsurface (Mesa Verde-Bone Spring Pool). Applicant will dedicate Lot 2 of Section 6 to the Well, forming a standard 40.08 acre oil spacing and proration unit.

3. The granting of this application is in the interests of conservation and the prevention of waste, and will prevent the drilling of unnecessary wells.

WHEREFORE, Applicant requests that, after notice and hearing,
the Division grant the release requested above.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY, P.L.L.C., Ltd., Co.

A handwritten signature in cursive script, appearing to read "James Bruce", written over a horizontal line.

James Bruce
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Attorneys for Applicant

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