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JASON KELLAHIN (RETIRED (1991))

June 17, 1998

**VIA FACSIMILE**

William F. Carr, Esq.  
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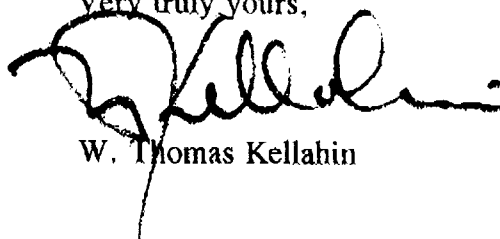
Re: Case No 11715 (Order R-10764)  
Application of Santa Fe Energy Resources, Inc.  
for compulsory pooling, Lea County, New  
Mexico

Dear Mr. Carr:

Our firm represents Santa Fe Energy Resources, Inc. concerning your letter on behalf of Robert E. Landreth to the New Mexico Oil Conservation Division dated June 4, 1998 alleging unspecified objections to the actual well costs for the Gaucho Federal Unit Well No. 2 and 2Y.

I would appreciate you providing me with a written detailed explanation of Mr. Landreth's objections so that I will be able to respond.

Very truly yours,



W. Thomas Kellahin

cc: Oil Conservation Division

Attn: Lori Wrotenbery, Director

cc: Santa Fe Energy Resources, Inc.

Attn: Steve Smith