



Santa Fe Energy Resources, Inc.

550 West Texas Avenue, Suite 1330, Midland, TX 79701

From: Steve Smith 915/686-6712

FAX 915/686-6714

Fax Cover Sheet

Date: September 14, 1998

To: Robert Landreth

Fax: 684-4783

RE: Proposed 13,700 Morrow Test
N/2 Section 4, T-23-S, R-34-E
Rio Blanco "4" Fed COM #1
Lea County, New Mexico

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12043 Exhibit No. — 9
Submitted By:
Santa Fe Energy Resources
Hearing Date: September 17, 1998

Dear Mr. Landreth,

Attached is a copy of the Farmout Agreement I prepared for the captioned. In light of the Compulsory Pooling Hearing scheduled for this coming Thursday, I would ask that you review the attached at your earliest convenience. I will be available at your convenience between now and Tuesday afternoon to facilitate your execution of this Agreement. I should have the JOA ready later today and will drop a copy by your office as soon as possible. It is being prepared using the Gaucho #4 JOA as a go-by. If for some reason we are unable to finalize this trade before Tuesday afternoon, I will need to proceed with the Compulsory Pooling hearing on Thursday.

Thank you for your cooperation. If you would like to discuss this matter, my direct number is 686-6712.

Sincerely,

Steve Smith

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CONFIRMATION REPORT - MEMORY SEND

Time : SEP-14-98 09:13
Fax number: 9156866714
Name : SANTA FE ENERGY RESOURCES

Job : 839
Date : SEP-14 09:05
To : 96844783
Doc. pages : 11
Start time : SEP-14 09:05
End time : SEP-14 09:13
Pages sent : 11

Job:839 *** SEND SUCCESSFUL ***



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