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OIL CONSERVATION DIV.

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Hand Delivered

Lori Wrotenbery
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Case No. 12266; Application of Santa Fe Snyder Corporation for approval of the Outland State Unit

Dear Lori:

The above case was heard on October 21st. As Santa Fe testified at hearing, it has certain time deadlines involved in this case. First, due to rig availability problems, it is moving a rig onto the drillsite in a day or two, and will commence drilling the initial unit well. However, Santa Fe must receive the Division's order on the unit, necessary to obtain final unit approval from the Commissioner of Public Lands ("Commissioner"), before drilling nears the target formation. If it does not meet these deadlines, the Commissioner will not give final approval the unit, which will adversely affect certain expiration deadlines on leases in the unit. Thus, Santa Fe needs the Division's order as soon as possible to avoid these problems. I understand that a draft order is on Rand Carroll's desk awaiting his review. However, since Rand is on vacation, I'm afraid that Santa Fe will not be able to meet all of its deadlines if issuance of an order must await Rand's return. Therefore, I respectfully request that the review by Rand be passed to Lyn or someone else so that an order can be issued.

Thank you for your consideration of this request.

Very truly yours,


James Bruce

Attorney for Santa Fe Snyder Corporation