

APPLICATION OF SANTA FE ENERGY
OPERATING PARTNERS, L.P. FOR
AN UNORTHODOX WELL LOCATION AND
TO AMEND ORDER NO. R-9904, LEA
COUNTY, NEW MEXICO.

AFFIDAVIT REGARDING NOTICE

10828

Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

Certified Mail P 237 056 794

August 31, 1993

Oxy USA, Inc.
P. O. Box 50250
Midland, Texas 79705

Re: Unorthodox Location Application
Sinagua "18" Fed Com #1
2210' FNL & 2210' FEL
Section 18, T-20-S, R-34-E
Lea County, New Mexico


Gentlemen:

Enclosed is a copy of an Application for an unorthodox gas well location filed at the New Mexico Oil Conservation Division by Santa Fe Energy Operating Partners, L.P. regarding the N/2 of Section 18, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico. Santa Fe's records indicate that you are an operator or lessee offsetting the proposed well unit. This matter has been scheduled for hearing on Thursday, September 23, 1993 at 8:15 a.m. at the Division's offices at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

If you plan to enter an appearance in this matter, Division Memorandum 2-90 requests that you file a Pre-Hearing Statement with the Division, and send a copy thereof to the applicant, no later than 4:00 p.m. on Friday, September 17, 1993.

Yours very truly,

SANTA FE ENERGY OPERATING PARTNERS, L.P.
By: Santa Fe Pacific Exploration Company,
Managing General Partner

By: 
Curtis D. Smith, Senior Landman

CS:pr

pr2732

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August 20, 1993

*NOT LICENSED IN NEW MEXICO

William J. LeMay
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Re: Request for Extension of Well Commencement
Deadline, Order No. R-9904

Dear Mr. LeMay:

The above order pooled the N $\frac{1}{2}$ of § 18 - 20 South - 34 East for a Morrow test well at an orthodox location, and fixed a commencement deadline of September 1, 1993. Santa Fe Energy Operating Partners, L.P. (Santa Fe), the operator under the order, hereby requests that the well commencement deadline be extended to November 1, 1993. The reasons for this request are as follows:

1. Santa Fe applied for an APD for the well with the Bureau of Land Management (BLM) on February 3, 1993. The first page of the APD is attached as Exhibit A.

2. The APD was denied by the BLM on July 1, 1993¹, because of possible potash mineralization at the proposed location (the proposed well is in the oil-potash area). No potash lessee had objected to the location. The BLM's denial letter is attached as Exhibit B.

3. Santa Fe subsequently filed a new APD, and has been verbally informed by the BLM that the location is acceptable.

¹The hearing on the compulsory pooling application was held May 20, 1993.

William J. LeMay
Page Two
August 20, 1993

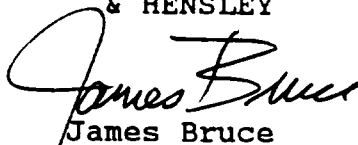
4. The new location is 2,210 feet from the North and East lines of Section 18, requiring Santa Fe to obtain approval of an unorthodox gas well location from the Division, as well as the amendment of Order No. R-9904 to allow the pooled unit to be dedicated to a well at the unorthodox location. Santa Fe is in the process of applying to the Division for approval of the unorthodox location, and the hearing will be set for 8:15 a.m. on September 23, 1993 at the Division's offices at 310 Old Santa Fe Trail, Santa Fe, New Mexico.

Based on the foregoing, Santa Fe needs additional time to secure BLM final approval of the APD, obtain unorthodox location approval, prepare the site for drilling, and commence drilling. Therefore, Santa Fe requests that the commencement date (and the completion date) be extended by two months.

By copies of this letter, Santa Fe is notifying the two parties pooled under Order No. R-9904 of this request, and of the upcoming hearing date.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



James Bruce

Attorneys for Santa Fe Energy
Operating Partners, L.P.

c: Larry Nermyr (w/encl.)
Certified Mail No. P 176 011 392

Doyle Hartman (w/encl.)
Certified Mail No. P 176 011 393

Curtis Smith (First Class Mail)

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Christa Petty

6. Signature (Agent)

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5. Signature (Addressee)

Larry Nermyr

6. Signature (Agent)

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