

HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
ROBERT P. TINNIN, JR.
MARSHALL G. MARTIN
OWEN M. LOPEZ
DOUGLAS L. LUNSFORD
JOHN J. KELLY
NICHOLAS J. NOEDING
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD R. WILFONG*
THOMAS J. MCBRIDE
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS*
GARY D. COMPTON*
MICHAEL A. GROSS
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
DAVID T. MARKETTE*

MARK C. DOW
FRED W. SCHWENDIMANN
JAMES M. HUDSON
JEFFREY S. BAIRD*
REBECCA NICHOLS JOHNSON
WILLIAM P. JOHNSON
STANLEY K. KOTOVSKY, JR.
H. R. THOMAS
ELLEN S. CASEY
MARGARET CARTER LUDEWIG
CHRISTOPHER M. MOODY
S. BARRY PAISNER
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
JAMES A. GILLESPIE
GARY W. LARSON
STEPHANIE LANDRY
JOHN R. KULSETH, JR.
MARGARET R. MCNETT
LISA K. SMITH*
ROBERT H. BETHEA*
BRADLEY W. HOWARD
NORMAN D. EWART
DARREN T. GROCE*
MOLLY MCINTOSH
MARCIA B. LINCOLN
SCOTT A. SHUART*
DARREN L. BROOKS
PAUL G. NASON
DARLA M. SILVA

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

FAX (505) 982-8623

CLARENCE E. HINKLE (1901-1985)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1987)

OF COUNSEL
O. M. CALHOUN*
MACK EASLEY
JOE W. WOOD
RICHARD S. MORRIS

AUSTIN AFFILIATION
HOFFMAN & STEPHENS, P.C.
KENNETH R. HOFFMAN
TOM D. STEPHENS
RONALD C. SCHULTZ, JR.

November 9, 1993

700 UNITED BANK PLAZA
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88202
(505) 622-6510
FAX (505) 623-9332

2800 CLAYDESTA CENTER
6 DESTA DRIVE
POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691
FAX (915) 683-6518

1700 BANK ONE CENTER
POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9761

500 MARQUETTE N.W., SUITE 800
POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103
(505) 768-1500
FAX (505) 768-1529

401 WEST 15TH STREET, SUITE 800
AUSTIN, TEXAS 78701
(512) 476-7137
FAX (512) 476-5431

Florene Davidson
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Re: Application of Santa Fe Energy Operating Partners, L.P.,
for Approval of a Unit Agreement, Lea County, New Mexico.

Dear Florene:

On behalf of Santa Fe Energy, I am attaching for filing the original and two copies of an Application, along with the proposed advertisement, concerning the above-referenced matter.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

Fran Sowers
Fran Sowers, Secretary
to James Bruce

Attachments

VIA HAND DELIVERY

FRS5\93L22.c

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE
ENERGY OPERATING PARTNERS,
L.P., FOR APPROVAL OF A
UNIT AGREEMENT, LEA COUNTY,
NEW MEXICO.

- 0 - 1000

No. 10372

APPLICATION

Santa Fe Energy Operating Partners, L.P. hereby applies for approval of a unit agreement for its proposed Sage Unit, and in support thereof states:

1. Applicant requests approval of the Sage Unit Agreement, an exploratory unit, for a unit area comprised of the following state lands:

Township 24 South, Range 33 East, N.M.P.M.

Section 3:	All
Section 4:	All
Section 5:	All
Section 8:	All
Section 9:	All
Section 10:	All

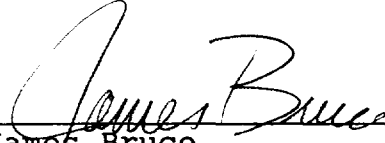
Comprising 3,840 acres, more or less.

2. Applicant requests that it be designated operator of the unit.

3. The granting of this application is in the interests of conservation and the prevention of waste.

WHEREFORE, Applicant requests that the Sage Unit Agreement be approved.

HINKLE, COX, EATON, COFFIELD
& HENSLEY

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

James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Applicant

PROPOSED ADVERTISEMENT

Case No. 10872: Application of Santa Fe Energy Operating Partners, L.P. for a unit agreement, Lea County, New Mexico. Applicant seeks approval of the Sage Unit Agreement for an area comprising 3,840 acres, more or less, of State lands in Sections 3, 4, 5, 8, 9, and 10, Township 24 South, Range 33 East, N.M.P.M., which is centered approximately two miles north of State Highway 128 mile marker _____.