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Florene Davidson
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State Land Office Building
Santa Fe, New Mexico 87501

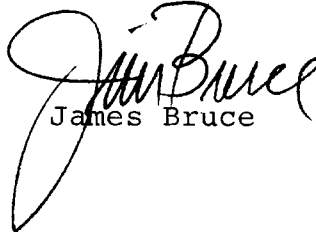
Re: Case No. 9372, the Application of Santa Fe Energy
Operating Partners, L.P. for compulsory pooling

Dear Florene:

Enclosed are an original and two copies of an amended application in the above case. Since the amended application limits the relief requested in the original application, I do not believe that the case needs to be readvertised.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


James Bruce

JB:jr

cc: W. Thomas Kellahin

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE
ENERGY OPERATING PARTNERS,
L.P., FOR COMPULSORY
POOLING, EDDY COUNTY,
NEW MEXICO.

Case No. 9372
OIL CONSERVATION DIVISION

AMENDED APPLICATION

Santa Fe Energy Operating Partners, L.P., hereby makes application for an order pooling all interests from the top of the Bone Springs formation to the base of the Morrow formation in the W $\frac{1}{2}$ of Section 30, Township 21 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show:

1. Applicant is a working interest owner in the W $\frac{1}{2}$ of Section 30.

2. Applicant proposes to drill a well in the W $\frac{1}{2}$ of Section 30, at a standard location, to the base of the Morrow formation, and seeks to dedicate the W $\frac{1}{2}$ of Section 30 to the Well.

3. Applicant has in good faith sought to join all other mineral interest owners in the W $\frac{1}{2}$ of Section 30 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore, Applicant seeks an Order pooling all mineral interest owners underlying the W $\frac{1}{2}$ of Section 30, from the top of the Bone Springs formation to the base of the

Morrow formation, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

5. Applicant asks that the Division consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty for the risk involved in drilling the well.


6. The pooling of interests underlying the W $\frac{1}{2}$ of Section 30 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Bass Enterprises Production Company has applied to the Division for compulsory pooling of the S $\frac{1}{2}$ of said Section 30, to drill a Morrow test well, and this application is set for hearing on May 11, 1988.

8. Applicant requests that this matter be consolidated for hearing with the application of Bass Enterprises Production Company, and that both matters be heard at the May 11, 1988 Examiner hearing.

WHEREFORE, Applicant requests that, after hearing, the Division approve this application and deny the application of Bass Enterprises Production Company.

HINKLE, COX, EATON,
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By 
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Dated: April 29, 1988
cc: W. Thomas Kellahin

Attorneys for Applicant