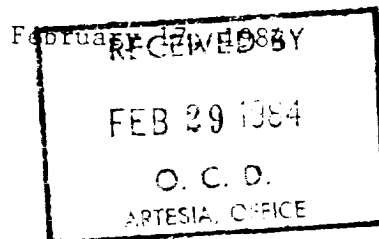


Santa Fe Energy Company



500 West Ohio
Midland, Texas 79701
915/687-3551



Union of California
Box 671
Midland, Texas 79702

Re: OD-NM-601,255
Weems #1
Waiver Letter
Eddy County, New Mexico

Gentlemen:

This is to inform you of Santa Fe Energy Company's Request for Administrative Approval of Santa Fe Energy Company's unorthodox location for a Morrow well to be drilled 1330' FWL and 990' FNL in Section 27-T-22-S, R-27-E, Eddy County, New Mexico, with the N/2 of said section to be the proration unit. (Plat attached for your convenience).

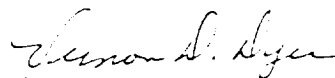
Santa Fe Energy Company would appreciate your responding to this waiver as quickly as possible as we plan to spud the well on or before April 1, 1984. Please send one executed copy to:

Division, Energy and Minerals Department
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

and return the copy so marked to us.

Yours truly,

SANTA FE ENERGY COMPANY


Vernon D. Dyer
District Landman

PJT/mjs

Enclosure

BY SIGNATURE HERETO, WE DO APPROVE THIS WAIVER REQUEST:

BY: _____

DATE: _____

COMPANY: _____

RETURN THIS COPY
TO: SANTA FE ENERGY
COMPANY

