

HINKLE, COX, EATON, COFFIELD & HENSLEY

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 (1901-1965)
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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
PAUL J. KELLY, JR.
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
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWITT
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

KAREN M. RICHARDSON*
FRED W. SCHWENDIMANN
JAMES M. HUDSON
JEFFREY S. BAIRD*
MACDONNELL GORDON
REBECCA NICHOLS JOHNSON
WILLIAM P. JOHNSON
STANLEY K. KOTOVSKY, JR.
H. R. THOMAS
KARA L. KELLOGG

BETTY H. LITTLE*
RUTH S. MUSGRAVE
ELLEN S. CASEY
S. BARRY FAISNER
MARGARET CARTER LUDEWIG
STEPHEN M. CRAMPTON
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
JAMES A. GILLESPIE
GARY W. LARSON
STEPHANIE LANDRY
JOHN R. KULSETH, JR.
MARGARET R. MCNETT
BRIAN T. CARTWRIGHT*
LISA K. SMITH*
JAMES KENT SCHUSTER*
ROBERT H. BETHEA*
BRADLEY W. HOWARD
CHARLES A. SUTTON*
NORMAN D. EWART
DARREN T. GROCE*
MOLLY MCINTOSH

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 TEAM BANK BUILDING
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

*NOT LICENSED IN NEW MEXICO

Florene Davidson
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87503

September 28, 1992

RECEIVED

OCT 01 1992

OIL CONSERVATION DIVISION

Re: Application of Santa Fe Energy Operating Partners,
L.P. for Administrative Approval of an Unorthodox
Oil Well Location (N $\frac{1}{2}$ NW $\frac{1}{4}$, Section 9 - 18 South -
33 East)

Dear Florene:

The above Application was filed on September 9. With respect to the Application, enclosed are an original Affidavit regarding notice, and an original waiver letter signed by American Exploration Company.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

James Bruce

JB:frs
Enclosures

JGB5\92290.c

NSL-3170

AFFIDAVIT REGARDING NOTICE

Re: Application for Administrative
Approval of Unorthodox Oil Well
Location, Kachina "9" Federal
No. 1 Well, N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 9 -
18 South - 33 East

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Gary Green, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18 and have personal knowledge of the matters stated herein.

2. I am a landman for Santa Fe Energy Operating Partners, L.P.

3. Santa Fe Energy Operating Partners, L.P. has conducted a good faith, diligent effort to find the correct names and addresses of interest owners entitled to receive notice of the application herein.

4. Notice of the application was provided to the interest owners at their correct addresses by mailing to them, by certified mail, a copy of the application. Copies of the certified return receipts are attached hereto as Exhibit A.

Gary Green
GARY GREEN

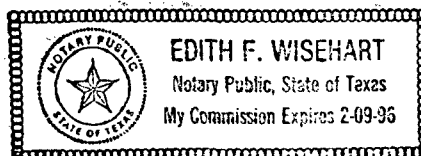
SUBSCRIBED AND SWORN to before me this 21st day of September, 1992, by Gary Green.

Edith F. Wisehart
Notary Public

My commission expires:

2/9/96

JGB5\92153.d





Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

American Exploration Company
2100 NCNB Center, 700 Louisiana
Houston, Texas 77002

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: Gary Green
Gary Green, Division Landman

GG:pr2365

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551

P 987 116 417



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|---|---------------------------------|
| Sent to | AMERICAN EXPLORATION CO |
| Street and No. | 2100 NCNB CENTER, 700 LOUISIANA |
| P. O. State and ZIP Code | HOUSTON, TX 77002 |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom Date and Addressee's Address | |
| POSTAGE | |

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

3. Article Addressed to:

AMERICAN EXPLORATION COMPANY
2100 NCNB CENTER, 700 LOUISIANA
HOUSTON, TX 77002

I also wish to receive the following services (for an extra fee):

1. ☒ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number
P 987 116 418

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, November 1990 * U.S. GPO: 1991-287-088

DOMESTIC RETURN RECEIPT

June 1991



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

Oxy USA, Inc.
P. O. Box 50250
Midland, Texas 79710

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: Gary Green
Gary Green, Division Landman

GG:pr2364

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551

P 987 116 416



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|---|-------------------|
| Sent to | OXY USA INC. |
| Street and No. | P.O. BOX 50250 |
| P.O. State and ZIP Code | MIDLAND, TX 79710 |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom Date and Addressee's Address | |

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

3. Article Addressed to:
OXY USA INC.
P. O. BOX 50250
MIDLAND, TX 79710

I also wish to receive the following services (for an extra fee):

1. ☒ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number
P 987 116 416

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if request and fee is paid)



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

Meridian Oil Corporation
21 Desta Drive, Building 6
Midland, Texas 79705

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: *Gary Green*
Gary Green, Division Landman

GG:pr2366

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551

P 987 116 524



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|--|----|
| Sent to MERIDIAN OIL CORP. | |
| Street and No. 3300 N. "A" BLDG. 6 | |
| P.O., State and ZIP Code MIDLAND, TX 79705 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

I also wish to receive the following services (for an extra fee):

1. ☒ Addressee's Address
 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:
**ERIDIAN OIL CORPORATION
3300 N. "A" BLDG. 6
MIDLAND, TX 79705**

4a. Article Number
P 987 116 524

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
9-14-92

5. Signature (Addressee)
P. Hood

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

Bison Petroleum Corporation
5809 S. Western, Suite 200
Amarillo, Texas 79110-3607

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: Gary Green
Gary Green, Division Landman

GG:pr2367

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551

P 787 116 414



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|---|----|
| Sent to BISON PETROLEUM CORP. | |
| Street and No. 5809 S. WESTERN, SUITE 200 | |
| P.O., State and ZIP Code AMARILLO, TX 79110-3607 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage | \$ |

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

3. Article Addressed to:

**BISON PETROLEUM CORPORATION
5809 S. WESTERN, SUITE 200
AMARILLO, TX 79110-3607**

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, November 1990

I also wish to receive the following services (for an extra fee):

1. ☒ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number

P 987 116 420 4/9

4b. Service Type

- | | |
|---|---|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Return Receipt for Merchandise |

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

DOMESTIC RETURN RECEIPT



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: Gary Green
Gary Green, Division Landman

GG:pr2368

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551



P 987 116 420

Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|--|----|
| Sent to MARATHON OIL COMPANY | |
| Street and No. BOX 552 | |
| P.O., State and Zip Code MIDLAND, TX 79701 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

3. Article Addressed to:
MARATHON OIL COMPANY
P. O. BOX 552
MIDLAND, TX 79701

I also wish to receive the following services (for an extra fee):

1. ☒ Addressee's Address
 2. ☐ Restricted Delivery
- Consult postmaster for fee.

4a. Article Number
P 987 116 420

- 4b. Service Type
- | | |
|---------------------------------------|---|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | <input type="checkbox"/> Return Receipt for Merchandise |

7: Date of Delivery
SEP 10 1992

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

Conoco, Inc.
10 Desta Drive West
Midland, Texas 79705

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: Gary Green
Gary Green, Division Landman

GG:pr2369

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551

P 987 116 521



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|---|----|
| Sent to CONOCO, INC. | |
| Street and No. 10 DESTA DRIVE WEST | |
| City, State and ZIP Code MIDLAND, TX 79705 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom & Date Delivered | |

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

3. Article Addressed to:
CONOCO, INC.
10 DESTA DRIVE WEST
MIDLAND, TX 79705

I also wish to receive the following services (for an extra fee):

1. ☒ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number
P 987 116 521

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
9-10-92

5. Signature (Addressee)

6. Signature (Agent)
Unita Gonzales

8. Addressee's Address (Only if requested and fee is paid)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

September 9, 1992

Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88201

Gentlemen:

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that Santa Fe Energy Operating Partners, L.P., whose address is 550 W. Texas, Suite 1330, Midland, Texas 79701 (Phone 915-687-3551), is filing an application with the Division for administrative approval of an unorthodox location, because of topographical conditions, for the Kachina "9" Federal No. 1 to be located 1730' from the west line and 740' from the north line of Section 9, T-18-S, R-33-E, Lea County, New Mexico.

A copy of the application is enclosed for your information.

We would appreciate you waiving objection to the unorthodox location and so indicating by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration will be appreciated.

Yours very truly,

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

By: Gary Green
Gary Green, Division Landman

GG:pr2370

NO OBJECTION OFFERED.

By: _____

Date: _____

Permian Basin District
550 W. Texas, Suite 1330
Midland, Texas 79701
915/687-3551

P 987 116 522



Receipt for
Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

| | |
|--|----|
| Sent to HARVEY E. YATES CO. | |
| Street and No. BOX 1933 | |
| P.O. Box and ZIP Code ROSWELL, NM 88201 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom Date and Addressee's Address | |
| Postage | \$ |

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

following services (for an extra fee):

1. ☒ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

| | |
|---|--|
| 3. Article Addressed to: HARVEY E. YATES COMPANY BOX 1933 ROSWELL, NM 88201 | 4a. Article Number P 987 116 522 |
| 4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise | 7. Date of Delivery 9/11/92 |
| 5. Signature (Addressee) | 8. Addressee's Address (Only if requested and fee is paid) |
| 6. Signature (Agent) <u>Sharon</u> | |

PS Form 3811, November 1990

U.S. GPO: 1991-287-066

DOMESTIC RETURN RECEIPT

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ATTORNEYS AT LAW

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

OF COUNSEL
O. M. CALHOUN*
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WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

700 UNITED BANK PLAZA
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HAROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
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MOLLY MCINTOSH

*NOT LICENSED IN NEW MEXICO

October 29, 1992

RECEIVED

OCT 29 1992

OIL CONSERVATION DIVISION

VIA HAND DELIVERY

William J. LeMay
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87503

Re: Application of Santa Fe Energy Operating Partners,
L.P. for Administrative Approval of an Unorthodox
Oil Well Location (N $\frac{1}{2}$ NW $\frac{1}{4}$, Section 9 - 18 South -
33 East)

Dear Mr. LeMay:

We represent Santa Fe Energy. The above application was filed with the Division on September 9, 1992, requesting a location 1,730 feet FWL and 740 feet FNL of Section 9, based upon topographic reasons. Since that date an archaeological survey has been completed (copy attached) which requires the proposed well site to be moved. (Actually, the proposed well site has had to be moved twice.) As a result, Santa Fe Energy amends its application to request an unorthodox location 2,131 feet FWL and 490 feet FNL. This location is less unorthodox than the originally requested location (it is slightly unorthodox in a northerly direction). The operator to the north, Oxy USA, Inc., has previously been notified of Santa Fe's request, and made no objection.

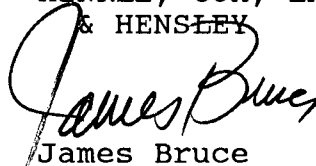
JGB5\92435.c

William J. LeMay
October 29, 1992
Page Two

Santa Fe Energy has a farmout on the subject acreage expiring November 3, 1992, and thus the Division's prompt attention to this amended application is appreciated.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



James Bruce

JB:frs
Attachment
c: Gary Green

OCT 29 '92 12:10 NMA5INC

P.2/7



NMAS
New Mexico Archaeological Services, Inc.

P.O. Box 1341
Carlsbad, New Mexico 88221-1341
(505) 887-7646 • FAX (505) 885-2587

29 October 1992

Reconnaissance
Excavation
Analysis
Explanation
Curation

Mr. Darrell Roberts
SANTA FE ENERGY RESOURCES, INC.
500 West Texas, Suite 1330
Midland, Texas 79701

Dear Mr. Roberts:

Enclosed please find NMAS' Archaeological Clearance Report for SANTA FE ENERGY PARTNERS, L.P.'s proposed Kachina "9" Well No. 1 in Lea County, New Mexico. No cultural resources were recorded during this survey; therefore, NMAS is suggesting clearance for this project.

If you have any questions pertaining to this report, please call my office. Thank you for asking NMAS to do this survey.

Yours sincerely,

Dr. J. Loring Haskell
Principal Investigator

Enclosure

cc: Mr. George Rubelemann, BLM, Carlsbad

as

OCT 29 1992 13:10 NMASINC

P.3/7

Archaeological Clearance Report

for

SANTA FE RESOURCES, INC.

Kachina "9" Federal Well No. 1

Prepared

By

Dr. J. Loring Haskell

Submitted

By

Dr. J. Loring Haskell
Principal Investigator
New Mexico Archaeological Services, Inc.
Carlsbad, New Mexico

29 October 1992

Permit No. 14-2920-92-M

Report Number: NMAS -1992-12-O

ABSTRACT

New Mexico Archaeological Services, Inc., representing SANTA FE RESOURCES, INC., undertook a Class III survey of Bureau of Land Management land scheduled to be impacted by the construction of a drill location. Field work was conducted under cloudy conditions during early afternoon. The proposed location will measure 400 X 400 ft (actual area surveyed 4.44 acres). It will be situated in Section 9, T18S, R33E, NMPM, Lea County, New Mexico. No cultural properties were recorded during this survey; therefore, NMAS is suggesting clearance for this project.

Introduction

On 28 October 1992, New Mexico Archaeological Services, Inc., (NMAS), Carlsbad, (Permit Number: 14-2902-92-M), undertook for SANTA FE ENERGY OPERATING PARTNERS, L.P., an archaeological survey of federal land administered by the Bureau of Land Management in Lea County, New Mexico. The reconnoitered area will be impacted by the construction of a drill location. This survey was undertaken by Dr. Haskell.

Survey Technique

For this investigation, SANTA FE ENERGY OPERATING PARTNERS, L.P.'s proposed location was reconnoitered for evidence of man's past activities by walking it in a series of 8.0 m wide, close interval (15° or less), zigzag transects. In addition, an added zone extending 20 ft on each side of the staked 400 X 400 ft location, and lying outside the bounds of the proposed work area, was reconnoitered by a similar means. Methodologically, this procedure served to promote optimal conditions for the visual examination of the area to be impacted by construction-related activities. Field work was conducted under cloudy conditions during early afternoon. Ground visibility ranges between 75 and 85%. Field time 1½ hours.

Kachina "9" Federal Well No. 1

Location

The proposed location will measure 400 X 400 ft (actual area surveyed 4.44 acres) on federal land and will be situated 490 ft from the north line and 2131 ft from the west line.

Section 9, T18S, R33E, NMPM, Lea County, NM

OCT 29 '92 13:11 NMASINC

P.6/7

2

Thus it will be situated in the:

NE1NW1, Section 9, T18S, R33E, NMPM, Lea County, NM

Map Reference: USGS DOG LAKE QUADRANGLE, 7.5 Minute Series,
1985, Prov. Ed.

Environmental Setting

SANTA FE ENERGY OPERATING PARTNERS, L.P.'s proposed location will be situated on an aeolian landform due south of the Llano Estacado. Coppice dunes and closed deflation basins are characteristic of the surface as a whole. Surficial deposits are dominated by the sand separate. Lithic inclusions are limited to occasional chert and calcareous gravels and cobbles. Pedons fall within the Typic Torripsamment subgroup. In general, pedons are subject to aeolian and colluvial processes. Elevation is about 3961 ft. Slope is 0.50°. Aspect is multiple (360°).

The scrub formation is made up of shinners oak, plains yucca, sand sage, broom snakeweed, leather-leaf croton, spiny-leaf zinnia, mesa dropseed, plains brittle grass and poverty threeawn.

Cultural Resources

Prefield: 24 September 1992, Section 9 (five archaeological sites), T18S, R33E, Arita K. Slate.

Section 9, T18S, R33E

NMAS 5735 is situated within 200 ft of the proposed location.

NMAS 5752 is situated within 2700 ft of the proposed location.

NMAS 5821 is situated within 3200 ft of the proposed location.

NM-06-4162 is situated within 450 ft of the proposed location.

NM-06-4734 is situated within 2600 ft of the proposed location.

OCT 29 '92 12:11 NMASINC

P.7/7

3

No cultural properties were recorded during this survey. Their absence is due to a lack of siliceous lithic sources in the immediate vicinity and the lack of substantial dune development. Areally speaking, land usage was intense.

Recommendations

NMAS recommends clearance for SANTA FE ENERGY OPERATING PARTNERS, L.P.'s proposed Kachina "9" Federal Well No. 1 and suggests that work-related activities proceed in accordance with company plans (Fig. 1). Clearance, of course, is granted by the Bureau of Land Management. If cultural resources are encountered during construction, the BLM and NMAS should be notified immediately. Duned settings are notorious for covering and uncovering cultural properties.

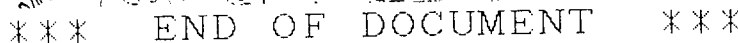


Fig. 1. USGS DOG LAKE QUADRANGLE, 7.5 Minute Series, 1:24,000, 1985, Prov. Ed., showing
SANTA FE ENERGY OPERATING PARTNERS, L.P.'s proposed Kachina "9" Federal Well No. 1, 490' FNL,
2131' FWL, Section 9, T18S, R33E, NMMP, Lea County, NM



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 18, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Santa Fe Energy Operating Partners, L.P.
c/o Hinkle, Cox, Eaton, Coffield & Hensley
P.O. Box 2068
Santa Fe, NM 87504-2068

Attention: James Bruce

*RE: Application to Amend Division
Administrative Order NSL-3170*

Dear Mr. Bruce:

Reference is made to your application on behalf of Santa Fe Energy Operating Partners, L.P. of October 29, 1992 to amend Division Administrative Order NSL-3170, dated September 30, 1992 which authorized the unorthodox location of its Kachina "9" Federal Well No. 1 to be drilled 740 feet from the North line and 1730 feet from the West line (Unit C) of Section 9, Township 18 South, Range 33 East, NMPM, Undesignated South Corbin Wolfcamp Pool, Lea County, New Mexico.

The proposed amended location is in fact more unorthodox since the location is encroaching closer to the north line than originally requested. Therefore, before this application can be considered, all off-set operators must be notified. Please send proof of this notification when mailed so that I can start the twenty-day waiting period.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal line extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/amg

xc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad
File: NSL-3170



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

No. 1-90

MEMORANDUM

TO: All Operators
FROM: William J. LeMay, Director *WJL*
SUBJECT: Administrative Applications for Unorthodox Locations
DATE: March 21, 1990

Division Memorandum No. 3-89, dated March 24, 1989, advised the industry that the OCD would no longer automatically approve unopposed unorthodox location applications. Unorthodox locations can be approved administratively in accordance with the Rules and Regulations or applicable special pool rules if surface conditions truly prevent the use of a legal location and if directional drilling to a legal location is not feasible.

Topographic conditions which will be considered to justify an unorthodox location include such traditional factors as terrain features (steep slopes, arroyos, etc.) which make drilling impractical. In addition, approval may be given to avoid archeological sites which may not be disturbed without substantial mitigation, incompatible surface uses such as buildings, recreation areas, etc. Applications should fully document the reason an unorthodox location is required.

The attached guidelines state the minimum information which should be submitted with applications for administrative approval of unorthodox locations. Failure to provide the necessary information will probably result in processing delays.

If the surface of the proration unit or proposed drill site is controlled by a Federal Surface Management Agency, a copy of the application must be sent to the appropriate agency office.

If there are legal locations within the proration unit which are drillable, but the operator chooses not to drill those locations for geological reasons the application cannot be approved administratively and a hearing will be required.

NEW MEXICO OIL CONSERVATION DIVISION

SUBMITTAL GUIDELINES FOR ADMINISTRATIVE APPROVAL OF NON-STANDARD LOCATION APPLICATIONS

- I. If the well is located on Federal or Indian Lands, the Federal Surface Management Agency must be notified and an on-site inspection conducted prior to filing the application. If an Application for Permit to drill or a Notice of Staking has been prepared, a copy must be submitted.
- II. Completed C-102 showing the well location, proration unit, leases within the unit and other required information.
- III. Land plat showing offset operators and working interest owners and any offsetting wells producing from the same pool or formation.
 - A. This information may be shown on the topo map if it does not impair the readability of the map.
 - B. The operator should certify that the information is current and correct.
- IV. Original or clear copy of topographic map, preferably 7.5 minute quad, showing contours and other mapped features impacting the location, with the following information marked thereon (In order to be able to adequately show all of the necessary surface conditions it may be necessary to enlarge the relevant portion of the topo map to provide room for detail):
 - A. The proposed well location and proration unit;
 - B. An outline of the orthodox drilling windows as provided in the applicable rules for the subject application;
 - C. The location of any wells to any formation within the area of the proration unit and a statement as to whether an existing pad can be used to drill the proposed well;
- V. An enlargement of the topo map showing the subject area with the applicable additional information:
 - A. Terrain features not shown on the map which make an orthodox location unusable;
 - B. Proposed access roads and pipelines if they affect the location selection;
 - C. The location of any surface uses which prevent use of a legal location;

- D. The location of any archeological sites identified in the archeological survey;
 - E. The location and nature of any other surface conditions which prevent the use of an orthodox location.
- VI. If archeological sites are a reason for the unorthodox location request, a copy of the archeological survey, or a summary, identifying sites which cannot be disturbed or which must have any disturbance mitigated. In addition, the location of such areas should be marked on the enlarged topo so they can be clearly identified.
- VII. A narrative report of any on-site inspection of the potential locations. If such on-site has resulted in elimination of legal locations due to surface conditions, such information should also be noted on the enlarged topo.
- VIII. A statement of why directional drilling to reach a legal bottom-hole location is not feasible.
- IX. An affidavit that notice has been sent to all parties entitled thereto, under the Divisions Rules and Regulations with return receipt cards showing date of receipt of notice.

P 113 242 699

LE, COX, EATON, COFFIELD & HENSLEY



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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

November 20, 1992

113 242 699
EQUESTED

1 Company

700 Louisiana
Houston, Texas 77002

PS Form 3800, June 1991

| | |
|--|-----------------|
| Sent to American Exploration Co. | |
| Street and City 2180 NCNB Center 700 Louisiana Houston, TX 77002 | |
| P.O., State and ZIP Code | |
| Postage XXX | \$.29 |
| Certified Fee XXX | \$ 1.00 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | XXX 1.00 |
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Thank you for using Return Receipt Service

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|--|--|--|--|
| <p>SENDER:</p> <ul style="list-style-type: none"> Complete items 1 and 2 for additional services. Complete items 3, 4a & b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered. | | <p>1. I also wish to receive the following services (for an extra fee):</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p> | |
| <p>3. Article Addressed to:</p> <p>American Exploration Co. 2180 NCNB Center 700 Louisiana Houston, TX 77002</p> | | <p>4a. Article Number P 113 242 699</p> <p>4b. Service Type</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p> <p>7. Date of Delivery 12/4/92</p> | |
| <p>5. Signature (Addressee)</p> <p><i>[Signature]</i></p> | | <p>8. Addressee's Address (Only if requested and fee is paid)</p> | |
| <p>6. Signature (Agent)</p> <p><i>[Signature]</i></p> | | <p>DOMESTIC RETURN RECEIPT</p> | |

PS Form 3800, June 1991 * U.S.G.P.O. 1992-307-530

Santa Fe Energy Operating
or Administrative Approval
Oil Well Location, N½NW¼
South - 33 East, Lea County,

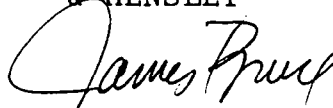
On September 9, 1992, Santa Fe Energy notified an unorthodox oil well location, based on its Kachina 9 Federal No. 1 Well from the West line and 740 feet from the Township 18 South, Range 33 East. That by New Mexico Oil Conservation Division 170. A subsequent archaeological survey be moved to a location 2,131 feet from from the North line of Section 9. As a has applied to the Oil Conservation L-3170 to permit the well to be drilled

American Exploration Company
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



James Bruce

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

JB:frs

P 113 242 700



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WASHINGTON, D.C.
SPECIAL COUNSEL
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FAX (505) 768-1529

November 20, 1992

113 242 700
EQUESTED

PS Form 3800, June 1991

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|---|------------|
| Sent to | |
| Meridian Oil Corporation | |
| 218 Monta Drive | |
| 3300 North A, Building 6 | |
| P.O. State and ZIP Code | |
| Midland, Texas 79705 | |
| Postage | xxx \$.29 |
| Certified Fee | xxx 1.00 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | xxx 1.00 |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage & Fees | \$ 2.29 |
| Postmark or Date | |

Meridian Oil Corporation

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

Thank you for using Return Receipt Service.

| | | | |
|--|--|---|---|
| <p>1. I also wish to receive the following services (for an extra fee):</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p> | <p>4a. Article Number</p> <p>P 113 242 700</p> | <p>4b. Service Type</p> <p><input type="checkbox"/> Registered</p> <p><input checked="" type="checkbox"/> Certified</p> <p><input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Insured</p> <p><input type="checkbox"/> COD</p> <p><input type="checkbox"/> Return Receipt for Merchandise</p> | <p>7. Date of Delivery</p> <p>11-23</p> |
| <p>3. Article Addressed to:</p> <p>Meridian Oil Company</p> <p>218 Monta Drive</p> <p>3300 North A, Building 6</p> <p>Midland, TX 79705</p> | | <p>8. Addressee's Address (Only if requested and fee is paid)</p> | |
| <p>5. Signature (Addressee)</p> | | <p>6. Signature (Agent)</p> <p><i>Andy Return</i></p> | |

PS Form 3811, December 1991

DOMESTIC RETURN RECEIPT

Santa Fe Energy Operating
or Administrative Approval
Oil Well Location, N $\frac{1}{2}$ NW $\frac{1}{4}$
South - 33 East, Lea County,

On November 9, 1992, Santa Fe Energy notified an unorthodox oil well location, based on its Kachina 9 Federal No. 1 Well from the West line and 740 feet from the Township 18 South, Range 33 East. That by New Mexico Oil Conservation Division 170. A subsequent archaeological survey be moved to a location 2,131 feet from from the North line of Section 9. As a has applied to the Oil Conservation 3170 to permit the well to be drilled


EXHIBIT NO. 1

Meridian Oil Corporation
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

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

JB:frs

E, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

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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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

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

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

1700 TEAM BANK BUILDING
POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9751

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

P 113 242 704

Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) frs

| | |
|---|------------------|
| Sent to Harvey E. Yates Company | |
| Street and No. Post Office Box 1933 | |
| P.O., State and ZIP Code Roswell, NM 88201 | |
| Postage | XXX \$ 29 |
| Certified Fee | XXX 1.00 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | XXX L00 |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage & Fees | \$ 29 |
| Postmark or Date | |

November 20, 1992

P 113 242 704
REQUESTED

pany
3

Roswell, New Mexico 88201

PS Form 3800, June 1991

| | | | |
|---|--|--|--|
| <p>SENDER:</p> <p>Complete items 1 and/or 2 for additional services.</p> <ul style="list-style-type: none"> • Complete items 3, and 4a & b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece next to the article number. | | <p>1. also wish to receive the following services for an extra fee:</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p> | |
| <p>3. Article Addressed to:</p> <p>Harvey E. Yates Company Post Office Box 1933 Roswell, NM 88201</p> | | <p>4a. Article Number</p> <p>P 113 242 704</p> | |
| <p>4b. Service Type</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise</p> | | <p>7. Date of Delivery</p> <p>NOV 23 1992</p> | |
| <p>5. Signature (Addressee)</p> <p><i>[Signature]</i></p> | | <p>8. Addressee's Address (Only if requested and fee is paid)</p> <p>Roswell, NM 88201</p> | |
| <p>6. Signature (Agent)</p> <p><i>[Signature]</i></p> | | <p>DOMESTIC RETURN RECEIPT</p> | |

Santa Fe Energy Operating
for Administrative Approval
Oil Well Location, N $\frac{1}{2}$ NW $\frac{1}{4}$
South - 33 East, Lea County,

On November 9, 1992, Santa Fe Energy notified
an unorthodox oil well location, based
on, for its Kachina 9 Federal No. 1 Well
from the West line and 740 feet from the
township 18 South, Range 33 East. That
by New Mexico Oil Conservation Division
70. A subsequent archaeological survey
be moved to a location 2,131 feet from
from the North line of Section 9. As a
has applied to the Oil Conservation
-3170 to permit the well to be drilled


PS Form 3811, October 1990 *U.S. GPO: 1990-273-861

Harvey E. Yates Company
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



James Bruce

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

JB:frs

HINKLE, COX, EATON, COFFIELD & HENSLEY

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 (1904-1965)
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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

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

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

P 113 242 703



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) frs

| | |
|---|-----------|
| Sent to | |
| Conoco Inc. | |
| Street and No. | |
| 10 Desta Drive West | |
| P.O., State and ZIP Code | |
| Midland, TX 79705 | |
| Postage | XXX \$ 29 |
| Certified Fee | XXX 1.00 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | XXX 1.00 |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage & Fees | \$ 2.29 |
| Postmark or Date | |

November 20, 1992

P 113 242 703
REQUESTED

PS Form 3800, June 1991

5

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

| | |
|--|---|
| 4a. Article Number | |
| P 113 242 703 | |
| 4b. Service Type | <input type="checkbox"/> Insured |
| <input type="checkbox"/> Registered | <input type="checkbox"/> COD |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Express Mail | |
| 7. Date of Delivery | NOV 24 1992 |
| 8. Addressee's Address (Only if requested and fee is paid) | |

DOMESTIC RETURN RECEIPT

Santa Fe Energy Operating
for Administrative Approval
Box Oil Well Location, N $\frac{1}{2}$ NW $\frac{1}{4}$
South - 33 East, Lea County,

September 9, 1992, Santa Fe Energy notified for an unorthodox oil well location, based on, for its Kachina 9 Federal No. 1 Well from the West line and 740 feet from the Township 18 South, Range 33 East. That by New Mexico Oil Conservation Division -3170. A subsequent archaeological survey to be moved to a location 2,131 feet from the North line of Section 9. As a result has applied to the Oil Conservation Division SL-3170 to permit the well to be drilled

SENDER: Complete items 1 and/or 2 for additional services.
• Complete items 3, 4a, and 4b.
• Print your name and address on the reverse of this form so that we can return this card to you.
• Attach this form to the front of the mailpiece, or on the back if space does not permit.
• Write "Return Receipt Requested" on the mailpiece below the article number.
• The Return Receipt will show to whom the article was delivered and the date delivered.

| | |
|--------------------------|--|
| 3. Article Addressed to: | |
| Conoco Inc. | |
| 10 Desta Drive West | |
| Midland, TX 79705 | |
| 5. Signature (Addressee) | |
| 6. Signature (Agent) | |

PS Form 3811, December 1991 * U.S.G.P.S. 1982-307-530

Conoco Inc.
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

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

JB:frs

P 113 242 702

Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) frs



| | |
|---|-----------|
| Sent to | |
| Marathon Oil Company | |
| Street and No. | |
| Post Office Box 442 | |
| P.O. State and Zip Code | |
| Midland, TX 79702-0552 | |
| Postage | XXX \$ 29 |
| Certified Fee | XXX 1.00 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | XXX 1.00 |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage & Fees | \$ 2.29 |
| Postmark or Date | |
| NOV 20 1992 | |

LE, COX, EATON, COFFIELD & HENSLEY

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 (1904-1985)
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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

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 TEAM BANK BUILDING
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

November 20, 1992

P 113 242 702
REQUESTED

Thank you for using Return Receipt Service.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number

P 113 242 702

4b. Service Type

☐ Registered ☐ Insured

☒ Certified ☐ COD

☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

NOV 21 1992

8. Addressee's Address (Only if requested and fee is paid)

3. Article Addressed to:

Marathon Oil Company
Post Office Box 442
Midland, TX 79702-0552

5. Signature (Addressee)

6. Signature (Agent)

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530

DOMESTIC RETURN RECEIPT

Santa Fe Energy Operating
for Administrative Approval
x Oil Well Location, N $\frac{1}{2}$ NW $\frac{1}{4}$
South - 33 East, Lea County,

ember 9, 1992, Santa Fe Energy notified
r an unorthodox oil well location, based
ns, for its Kachina 9 Federal No. 1 Well
from the West line and 740 feet from the
Township 18 South, Range 33 East. That
by New Mexico Oil Conservation Division
3170. A subsequent archaeological survey
be moved to a location 2,131 feet from
t from the North line of Section 9. As a
has applied to the Oil Conservation
SL-3170 to permit the well to be drilled

Marathon Oil Company
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

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

JB:frs

P 113 242 701



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) frs

| | |
|---|--------------------|
| Sent to Bison Petroleum Corp. | |
| Suite 200 | |
| 5809 South Western | |
| P.O. State and ZIP Code Amarillo, TX 79110 | |
| Postage | XXX \$ 2.29 |
| Certified Fee | XXX 1.00 |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | XXX 1.00 |
| Return Receipt Showing to Whom, Date, and Addressee's Address | |
| TOTAL Postage & Fees | \$ 2.29 |
| Postmark or Date NOV 20 1992 | |

5809 South Western
Amarillo, Texas 79110

E, COX, EATON, COFFIELD & HENSLEY

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 (1904-1985)
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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

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 TEAM BANK BUILDING
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

November 20, 1992

P 113 242 701
REQUESTED

poration

PS Form 3800, June 1991

Thank you for using Return Receipt Service.

| | | | |
|--|--|--|--|
| I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee. | | 3. Article Addressed to: Bison Petroleum Corp. Suite 200 5809 South Western Amarillo, TX 79110 | |
| 4a. Article Number P 113 242 701 | | 4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise | |
| 5. Signature (Addressee) <i>[Signature]</i> | | 6. Signature (Agent) <i>[Signature]</i> | |
| 7. Date of Delivery 11-30-92 | | 8. Addressee's Address (Only if requested and fee is paid) | |

Santa Fe Energy Operating
for Administrative Approval
Oil Well Location, N $\frac{1}{2}$ NW $\frac{1}{4}$
South - 33 East, Lea County,

September 9, 1992, Santa Fe Energy notified or an unorthodox oil well location, based on, for its Kachina 9 Federal No. 1 Well from the West line and 740 feet from the Township 18 South, Range 33 East. That by New Mexico Oil Conservation Division SL-3170. A subsequent archaeological survey to be moved to a location 2,131 feet from the North line of Section 9. As a result, has applied to the Oil Conservation SL-3170 to permit the well to be drilled

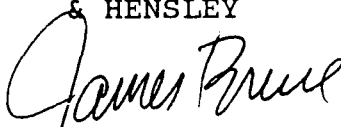
PS Form 3811, December 1991 * US GPO : 1992-307-530

Bison Petroleum Corporation
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



James Bruce

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

JB:frs

P 113 242 698



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse) firs

E. COX, EATON, COFFIELD & HENSLEY

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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

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 TEAM BANK BUILDING
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

November 20, 1992

P 113 242 698
REQUESTED

Post Office Box 50250
Midland, Texas 79710

PS Form 3800, June 1991

is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3 and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

1. also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

4a. Article Number
P 113 242 698

4b. Service Type

☐ Registered ☐ Insured

☒ Certified ☐ COD

☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
11-25-92

8. Addressee's Address (Only if requested and fee is paid)
MIDLAND, TX 79710

3. Article Addressed to:
OXY U.S.A. INC.
Post Office Box 50250
Midland, TX 79710

5. Signature (Addressee)
[Signature]

6. Signature (Agent)
[Signature]

DOMESTIC RETURN RECEIPT
PS Form 3811, December 1991 • U.S.G.P.O. : 1992-347-830

Santa Fe Energy Operating
for Administrative Approval
x Oil Well Location, N $\frac{1}{2}$ NW $\frac{1}{4}$
South - 33 East, Lea County,

ember 9, 1992, Santa Fe Energy notified
r an unorthodox oil well location, based
ns, for its Kachina 9 Federal No. 1 Well
from the West line and 740 feet from the
Township 18 South, Range 33 East. That
by New Mexico Oil Conservation Division
3170. A subsequent archaeological survey
be moved to a location 2,131 feet from
t from the North line of Section 9. As a
has applied to the Oil Conservation
SL-3170 to permit the well to be drilled

OXY U.S.A. Inc.
November 20, 1992
Page Two

at the new location. By this letter, Santa Fe Energy hereby gives notice to you of the application pursuant to Oil Conservation Division Rule 104(F).

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

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

JB:frs

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
PAUL J. KELLY, JR.
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
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWITT
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

KAREN M. RICHARDSON*
FRED W. SCHWENDIMANN
JAMES M. HUDSON
JEFFREY S. BAIRD*
MACDONNELL GORDON
REBECCA NICHOLS JOHNSON
WILLIAM P. JOHNSON
STANLEY K. KOTOVSKY, JR.
H. R. THOMAS
KARA L. KELLOGG

BETTY H. LITTLE*
RUTH S. MUSGRAVE
ELLEN S. CASEY
S. BARRY PAISNER
MARGARET CARTER LUDEWIG
STEPHEN M. CRAMPTON
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
JAMES A. GILLESPIE
GARY W. LARSON
STEPHANIE LANDRY
JOHN R. KULSETH, JR.
MARGARET R. MCNETT
BRIAN T. CARTWRIGHT*
LISA K. SMITH*
JAMES KENT SCHUSTER*
ROBERT H. BETHEA*
BRADLEY W. HOWARD
CHARLES A. SUTTON*
NORMAN D. EWART
DARREN T. GROCE*
MOLLY MCINTOSH

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 (1901-1988)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1987)

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

WASHINGTON, D.C.
SPECIAL COUNSEL
ALAN J. STATMAN

December 11, 1992

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
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FAX (915) 683-6518

1700 TEAM BANK BUILDING
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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

*NOT LICENSED IN NEW MEXICO

HAND DELIVERED

Michael Stogner
Oil Conservation Division
State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: **Application to Amend Division Administrative Order NSL-3170**

Dear Mr. Stogner:

As you requested by your letter of November 18, 1992, we re-notified all off-set lessees or operators by letters dated November 20, 1992. Enclosed is my affidavit regarding notice, together with copies of the notice letters and certified return receipts. Your attention to this matter is appreciated.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


James Bruce

JB:jr
Enclosures

92 DEC 11 PM 3 52
OIL CONSERVATION DIVISION
RECEIVED

AFFIDAVIT REGARDING NOTICE

Re: Application to Amend Division
Administrative Order NSL-3170
(Administrative Approval of Unorthodox
Oil Well Location, Kachina "9" Federal
No. 1 Well, N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 9 - 18 South -
33 East)

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

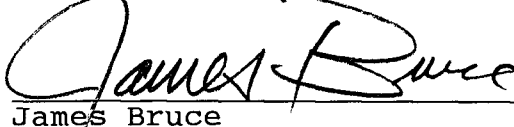
James Bruce, being duly sworn upon his oath, deposes and
states:

1. I am over the age of 18 and have personal knowledge
of the matters stated herein.

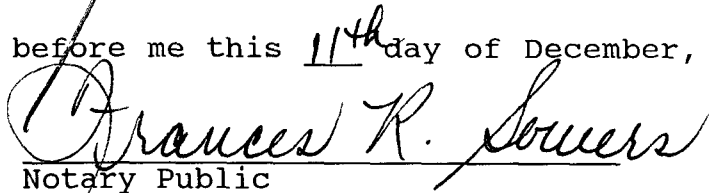
2. I am the attorney for Santa Fe Energy Operating
Partners, L.P.

3. Santa Fe Energy Operating Partners, L.P. has
conducted a good faith, diligent effort to find the correct names
and addresses of interest owners entitled to receive notice of the
application herein.

4. Notice of the application was provided to the
interest owners at their correct addresses by mailing to them, by
certified mail, a copy of the application. Copies of the certified
return receipts are attached hereto as Exhibit A.


James Bruce

SUBSCRIBED AND SWORN TO before me this 11th day of December,
1992, by James Bruce.


Notary Public

My Commission Expires:

September 25, 1994.