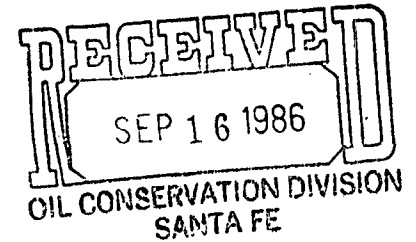


FIRST JUDICIAL DISTRICT COURT
COUNTY OF SANTA FE
STATE OF NEW MEXICO



JOHN ETCHEVERRY,

Plaintiff,

v.

No. SF 86-1509(c)

SAGE OIL COMPANY, a Texas
corporation; STATE LAND
OFFICE; and OIL CONSERVATION
DIVISION,

Defendants.

ANSWER TO CROSS-CLAIM OF DEFENDANT STATE LAND OFFICE

COMES NOW defendant Sage Oil Company and in answer to the Cross-Claim for Indemnification filed by co-defendant State Land Office states:

1. Defendant Sage Oil Company is without sufficient information to form an opinion as to the truth of the allegations contained in Paragraphs 1 and 2 of the Cross-Claim for Indemnification and therefore denies those allegations.

2. Upon information and belief defendant Sage Oil Company admits the allegations of Paragraphs 3 and 4 of the Cross-Claim for Indemnification.

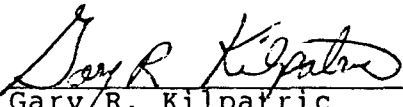
3. Defendant Sage Oil Company admits that the portion of Paragraph 12 of the SWD Easement 0104 quoted in paragraph 5 of the Cross-Claim for Indemnification is accurate, but asserts that

the Easement itself must accurately and fully represent the contents of that easement. Further, defendant Sage Oil Company asserts that it has received the Memorandum in Opposition to Motion to Dismiss filed by plaintiff herein in which plaintiff asserts that it seeks "no damages from the SLO [State Land Office]".

WHEREFORE, defendant Sage Oil Company prays that defendant State Land Office take nothing and be granted no relief from the allegations contained in its Cross-Claim for Indemnification and defendant Sage Oil Company prays for such other and further relief as the Court may deem just and proper.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.


By 

Gary R. Kilpatrick
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873

Attorneys for Defendant
Sage Oil Company

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing Answer to Cross-Claim of Defendant State Land Office to be mailed to J.W. Neal, Esq., Neal & Neal, P.C., Post Office Box 278, Hobbs, New Mexico 88240; Michael R. Comeau, Esq., Stephenson, Carpenter, Crout & Olmsted, Post Office Box 669, Santa Fe, New Mexico 87504-0669; Jeffrey Taylor, Esq., Oil Conservation Division, New Mexico Energy and Minerals Department, Post Office Box 2088, Santa Fe, New Mexico 87504-2088; and Louhanna M. Walker, Esq., New Mexico State Land Office, Attorney for Commissioner of Public Lands, Post Office Box 1148, Santa Fe, New Mexico 87504-1148, by first-class mail, postage prepaid, on this 15th day of September, 1986.



Gary R. Kilpatrick

15,193;23