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Case 11888

November 10, 1997

**Hand Delivered**

Michael E. Stogner  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: Application of Santa Fe Energy Resources, Inc. ("Santa Fe") for administrative approval of two unorthodox gas well locations for the following well:

Topaz "19" Fed. Com. Well No. 1  
Surface Location: 660 feet FSL & 2084 feet FWL  
W½ S19, Township 20 South, Range 34 East, NMPM  
Lea County, New Mexico

Dear Mr. Stogner:

Regarding your letter of October 27, 1997: The above well and property are the same as those involved in Case 11296 and Order No. R-10387. The changes are as follows:

1. Santa Fe did not re-enter the well by September 1, 1995, as required by the order, and thus the compulsory pooling portion of the order lapsed, and is no longer effective. Santa Fe has filed a new pooling application, which is scheduled for the December 4, 1997 Examiner hearing.
2. The well being re-entered in the above application, the Cities Service Oil Company Government "N" Com. Well No. 1Y, is the same well which was the subject of Case 11296. The well will be re-designated the Topaz "19" Fed. Com. Well No. 1, instead of the Sinagua "19" Fed. Com. Well No. 2 as in Case 11296.
3. The directionally drilled bottomhole location has been changed: In Case 11296, the well was to be drilled due north, with a requested location 1060 feet from the South line and 2084 feet from the West line of the section.

The new proposal is to directionally drill in a west-northwesterly direction, to a point within 50 feet of a location 1100 feet from the South line and 660 feet from the West line of the section.

Because the bottomhole location has been changed, Santa Fe requests that Order No. R-10387 be revoked as to the unorthodox location aspect of the order.

If you need any further information, please call.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above the typed name.

James Bruce

Attorney for Santa Fe  
Energy Resources, Inc.