



State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

MATTHEW BACA
DEPUTY SECRETARY

January 7, 1992

Mr. Damon Richards
Sanders, Bruin, Coll & Worley
Attorneys at Law
P. O. Drawer 550
Roswell, New Mexico 88202

RE: CASE NO. 10429
ORDER NO. R-9622

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970

LAND OFFICE BUILDING - 310 Old Santa Fe Trail
Oil Conservation Division
P.O. Box 2088 87504-2088
827-5800

LAW OFFICES OF

SANDERS, BRUIN, COLL & WORLEY, P.A.

600 UNITED BANK PLAZA
400 NORTH PENNSYLVANIA AVENUE
POST OFFICE BOX 550
ROSWELL, NEW MEXICO 88202-0550

JAMES L. BRUIN
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KELLY M. CASSELS
ROBERT V. DOCHRANE
CHARLES H. COLL
ERIC J. COLL
MARC DINGLER
STEVEN P. FISHER
RICHARD L. KRAFT
DAMON RICHARDS
MARK W. TAYLOR
MICHAEL T. WORLEY

T. T. SANDERS, JR.
OF COUNSEL

TELEPHONE
505-622-5440

TELECOPIER
505-622-5853

December 13, 1991

Oil Conservation Division
NM Dept. of Energy & Minerals
310 Old Santa Fe Trail
Room 206
Santa Fe, New Mexico 87504

Handwritten initials

Attention: Mr. Mike Stogner

Re: Case Number 10429
Application of Yates Petroleum Corporation for an unorthodox gas well
location, Eddy County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation desires approval of an unorthodox gas well
location situated in the following described lands, to-wit:

Township 20 South, Range 24 East, N.M.P.M.

Section 21: E/2

Eddy County, New Mexico

In connection with such application, I am enclosing three originals of each of
the following:

1. Isopach map of the Canyon or Upper Penn dolomite reservoir before the
Albert "AJH" #1 was drilled.
2. Isopach map of the Canyon or Upper Penn dolomite reservoir after the
Albert "AJH" #1 was drilled.
3. Dunn Logging Services report on the Albert "AJH" #1.
4. Combined isopach and structure map before the Albert "AJH" #1 was
drilled.
5. Combined isopach and structure map after the Albert "AJH" #1 was
drilled.
6. Excerpt of the Neutron-Density log covering the Morrow Clastics.



Oil Conservation Division
December 13, 1991
Page 2

I am also enclosing three copies of an approval letter we received from Santa Fe Energy Operating Partners, L.P.

Should you desire any further documentation with regard to this matter, please feel free to call me.

Yours very truly,

SANDERS, BRUIN, COLL & WORLEY, P. A.


Damon Richards 

DR:lt

Enclosures

cc: Mr. Robert Bullock
Yates Petroleum Corporation

dr/ltr/ocd01

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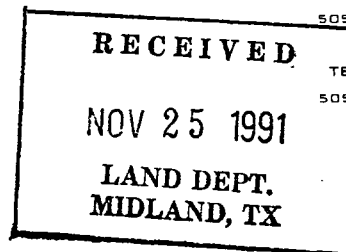
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November 21, 1991



Santa Fe Energy Resources, Inc.
550 West Texas, Suite 1330
Midland, Texas 79701

Re: Notice of Hearing - Unorthodox Location - Albert "AJH" #1
Section 21: E/2, Township 20 South, Range 24 East, N.M.P.M.
Eddy County, New Mexico
Rule 104 , Well Spacing (F) Unorthodox Locations

This law firm represents Yates Petroleum Corporation in connection with its application to the Oil Conservation Division for approval of an unorthodox location. This letter is to serve as official notice that it is the intent of Yates Petroleum Corporation (Applicant) to complete a well drilled 660 F.N.L. and 660 F.E.L. of Section 21, Township 20 South, Range 24 East, N.M.P.M., Eddy County, New Mexico in the Morrow Formation. This well is an offset to Santa Fe Energy Resources, Inc. leases.

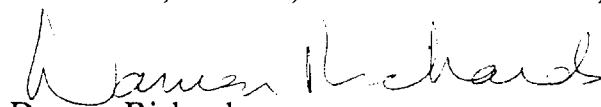
As required by Rule 1207(5) of the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, notice must be given to offset operators. Therefore, please be advised that the hearing is to be held in Santa Fe at the Oil Conservation Division Conference Room on December 19, 1991 at 8:30 a.m. before an OCD Examiner. A number and style of this case will be assigned at a later date and will be forwarded to you upon receipt.

It is requested that Santa Fe Energy Resources, Inc. consent to the unorthodox location of a Morrow Formation and waive its right to appearance in said hearing. Should this meet with your approval, please sign in the space provided below and return to the above address.

Thank you for your cooperation and assistance.

Yours very truly,

SANDERS, BRUIN, COLL & WORLEY, P. A.


Damon Richards

It

cc: Mr. Robert Bullock - Yates Petroleum Corporation
CERTIFIED MAIL/RRR - P 145 004 536

AGREED TO THIS 10th day of December, 1991.

~~SANTA FE ENERGY RESOURCES, INC.~~
SANTA FE ENERGY OPERATING PARTNERS, L.P.

*

By: 

T.S. Parker, Attorney-in-Fact

dr/ltr/ocd03

*Santa Fe Energy Operating Partners, L.P.'s consent to the above referenced unorthodox location is subject to Yates Petroleum Corporation's agreement to grant Santa Fe the same consent and waiver on any well proposed in the W/2 of Section 15, T-20-S, R-24-E,

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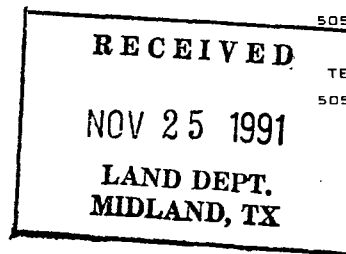
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Yours very truly,

SANDERS, BRUIN, COLL & WORLEY, P. A.

A handwritten signature in cursive script, appearing to read "Damon Richards".

Damon Richards

It

cc: Mr. Robert Bullock - Yates Petroleum Corporation
CERTIFIED MAIL/RRR - P 145 004 536

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~~SANTA FE ENERGY OPERATING PARTNERS, L.P.~~

*

By: A handwritten signature in cursive script, appearing to read "T.S. Parker".

T.S. Parker, Attorney-in-Fact

dr/ltr/ocd03

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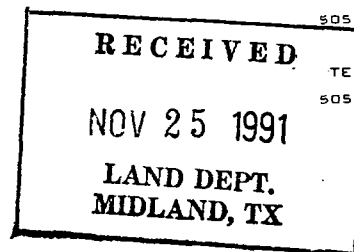
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