

## LAW OFFICES OF

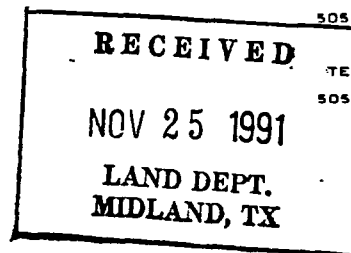
SANDERS, BRUIN, COLL &amp; WORLEY, P.A.

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

T. T. SANDERS, JR.  
OF COUNSEL

JAMES L. BRUIN  
KENT CANADA  
KELLY M. CASSELS  
ROBERT V. COCHRANE  
CHARLES H. COLL  
ERIC J. COLL  
MARC DINGLER  
STEVEN P. FISHER  
RICHARD L. KRAFT  
DAMON RICHARDS  
MICHAEL T. WORLEY

November 21, 1991



TELEPHONE  
505-622-5440

TELECOPIER  
505-622-5853

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.

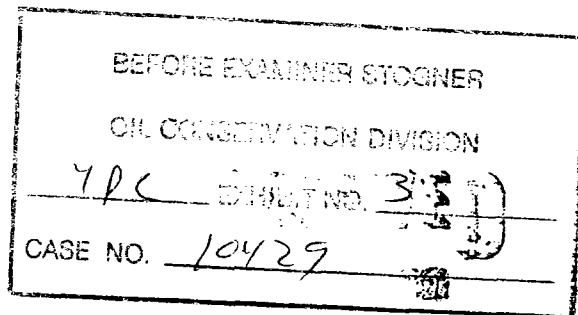
Yours very truly,

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

*Damon Richards*  
Damon Richards

It

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



APPROVED

AGREED TO THIS 10th day of December, 1991.

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

\*

By: *T.S. Parker*

T.S. Parker, Attorney-in-Fact

dr/ltr/ocd03

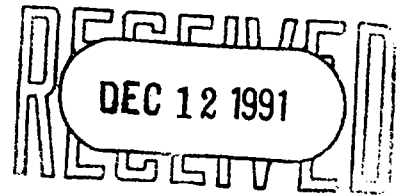
\*Santa Fe Energy Operating Partners, L.P.'s consent to the above referenced unorthodox location is subject to Yates Petroleum Corporation's agreement to grant Santa Fe the same consent and waiver on any well proposed in the W/2 of Section 15, T-20-S, R-24-E, Eddy County, New Mexico.



## Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company  
Managing General Partner

December 11, 1991



Sanders, Bruin, Coll & Worley, P.A.  
600 United Bank Plaza  
400 North Pennsylvania Avenue  
P. O. Box 550  
Roswell, New Mexico 88202-0550

Attention: Damon Richards

Re: Unorthodox Location - Albert "AJH" #1  
Section 21: E/2, T-20-S, R-24-E,  
Eddy County, New Mexico

Gentlemen:

Enclosed herewith, please find Santa Fe Energy Operating Partners, L.P.'s consent to the unorthodox location of a Morrow Formation. Said letter was executed by T.S. Parker on behalf of Santa Fe, 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, Eddy County, New Mexico.

Should you have any questions, please feel free to contact me.

Yours very truly,

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

By: Gary Green  
Gary Green, Senior Landman

GG:pr

Enclosure a/s

pr1981