



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

OIL CONSERVATION DIVISION

RECEIVED

OCT 27 1992

TELECOPIED
CERTIFIED MAIL - RETURN RECEIPT

October 27, 1992

Case 10598

The State of New Mexico
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87504

ATTN: Mr. William J. LeMay

Re: Request for Unorthodox Location
Sheep Dip "28" State Com #1
660' FWL & 660' FNL Sec. 28,
T-23-S, R-26-E, N.M.P.M.
Eddy County, New Mexico
SFEOP Cont. #NM-4539
Sheep Dip Prospect

Gentlemen:

Santa Fe Energy Operating Partners, L.P. ("Santa Fe") proposes the drilling of its Sheep Dip "28" State Com No. 1 to test the Strawn/Morrow Formation at an approximate depth of 12,500'.


Santa Fe proposes the well to be located 660' FWL & 660' FNL Section 28, T-23-S, R-26-E, in the Frontier Hills Field of Eddy County, New Mexico. Santa Fe requests that a hearing be set for Thursday, November 19, 1992. Attached hereto is Exhibit "A", list of offset operators and/or owners of undrilled leases; Exhibit "B" plat showing the location of the proposed well, and copies of notification letters to offset owners.

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New Mexico Oil Conser. Div.
October 27, 1992

If you have any questions or need additional information, please call me at (915) 686-6631.

Sincerely yours,

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

By: 
Curtis D. Smith, Senior Landman

CDS/efw
Encls a/s

cc: Gary Green (Div. Landman)

EWP383

EXHIBIT "A"

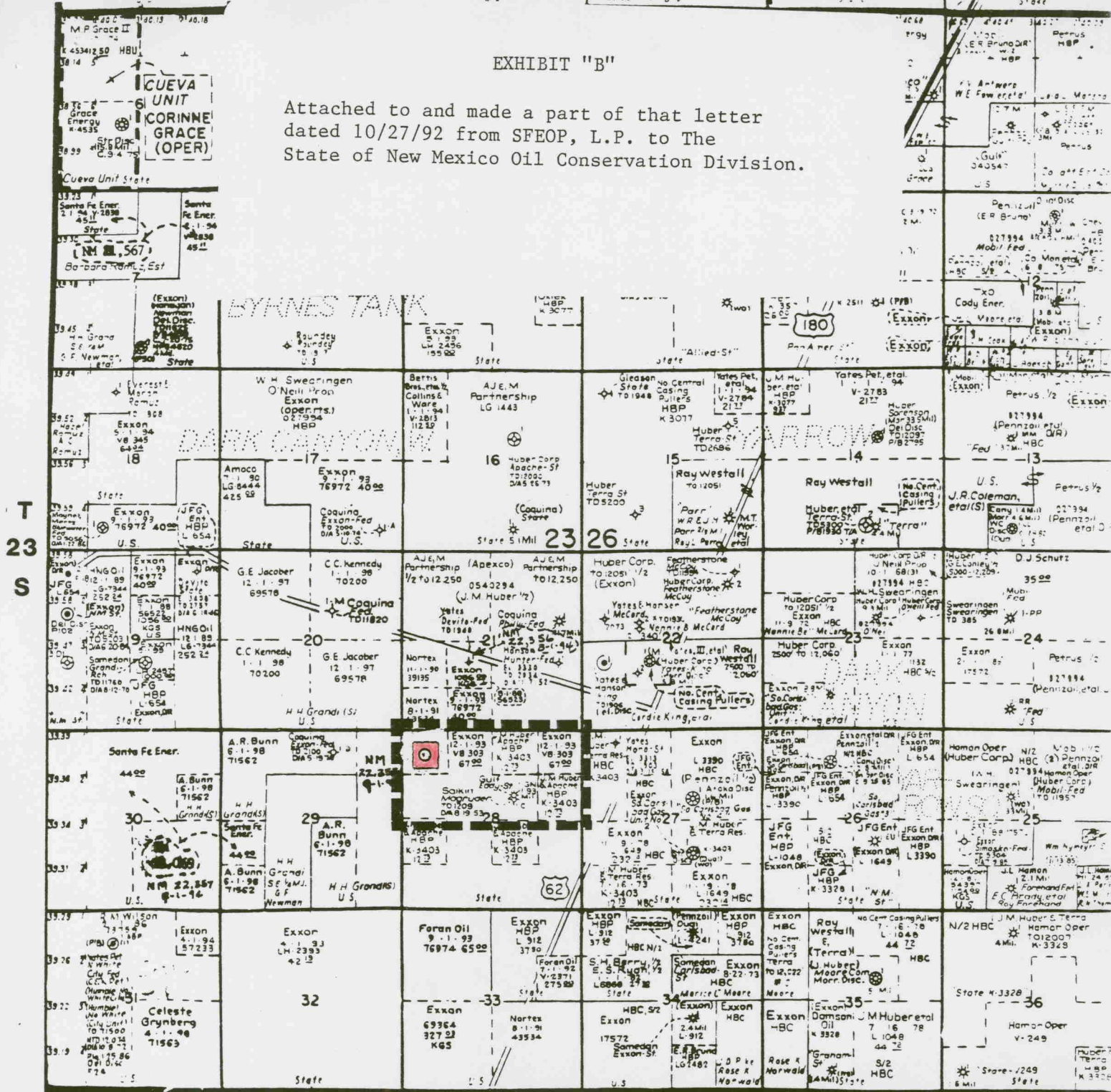
Attached to and made a part of that letter dated 10/27/92
from SFEOP, L.P. to The State of New Mexico Oil Conservation
Division.

OFFSET OPERATORS/LESSEES

All Section 20 T-23-S, R-26-E	Santa Fe Energy Operating Partners, L.P.
W/2 Sec. 21 T-23-S, R-26-E	Pacific Enterprises Oil Company, (USA)
E/2 Sec. 21 T-23-S, R-26-E	American National Petroleum Co.
N/2 Sec. 22 T-23-S, R-26-E	J.M. Huber Corp.
S/2 Sec. 22 T-23-S, R-26-E	Ray Westall Operating Inc.
N/2 Sec. 27 T-23-S, R-26-E	Exxon Company, U.S.A.
S/2 Sec. 27 T-23-S, R-26-E	Exxon Company, U.S.A.
NW/4SW/4 & NW/4SE/4 Sec. 27 T-23-S, R-26-E	J.M. Huber Corp.
All Sec. 29 T-23-S, R-26-E	Santa Fe Energy Operating Partners, L.P.
All Sec. 31 T-23-S, R-26-E	Santa Fe Energy Operating Partners, L.P.

EXHIBIT "B"

Attached to and made a part of that letter dated 10/27/92 from SFEOP, L.P. to The State of New Mexico Oil Conservation Division.



R 26 E

**SANTA FE ENERGY
OPERATING PARTNERS, L.P.**
PERMIAN BASIN DISTRICT
MIDLAND, TEXAS

PROPOSED PRORATION UNIT



PROPOSED LOCATION

**SHEEP DIP "28"
STATE COM No. 1
660' FNL & 660' FWL
SECTION 28,
T 23 S, R 26 E, N.M.P.M.
EDDY CO., NEW MEXICO**

**CARLSBAD AREA
EDDY CO., NEW MEXICO**

SHEEP DIP PROSPECT

SCALE 1":4000'

DATE



Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

CERTIFIED MAIL - RETURN RECEIPT

October 27, 1992

TO: Offset Operators/Lesseees
(See Attached List)

Case 10598

Re: Unorthodox Location
Sheep Dip "28" State Com #1
660' FNL & 660' FWL Sec. 28
T-23-S, R-26-E, N.M.P.M.
Eddy County, New Mexico
Sheep Dip Prospect
SFEOP Cont. #NM-4539

Gentlemen:

Santa Fe Energy Operating Partners, L.P. proposes the drilling of its Sheep Dip "28" State Com #1 to be located 660' FNL & 660' FWL Sec. 28, T-23-S, R-26-E, Eddy County, New Mexico.

Attached is a copy of our application to the State of New Mexico Oil Conservation Division for hearing to be set for November 19, 1992. As an offset operator/lessee, you have the right to present testimony at the hearing, an election not to present testimony at the hearing will preclude you from any future objections to this unorthodox location.

If you have no objections to the proposed unorthodox location, please so indicate by signing both copies of this letter in the space provided below returning one copy to the undersigned before November 12, 1992.

If you have any questions or comments, please call me at (915) 686-6631.

Yours very truly,

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

By: *Curtis D. Smith*
Curtis D. Smith, Senior Landman

CDS/efw
Encls a/s

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Ltr Offset Operators/Lessees

October 27, 1992

_____ No objection to the proposed unorthodox location.

(Typed name of Company)

By: _____
Signature

(Name & Title Typed)

Date: _____

EWP384

Offset Operators/Lessees
Address List
10/27/92

Pacific Enterprises Oil Company (USA)
3040 Post Oak Blvd., Suite 600
Houston, Texas 77056-6510
ATTN: Mr. K. J. Ikel, Land Mgr.

American National Petroleum Co.
P.O. Box 27725
Houston, Texas 77227-7725
ATTN: Mr. Mike Englert

Exxon Company USA
3300 North A, Bldg. 4
Midland, Texas 79705
ATTN: Land Dept.

J. M. Huber Corp.
1900 West Loop South, Suite 1600
Houston, Texas 77027
ATTN: Land Dept.

Ray Westall Operating Inc.
P.O. Box 4
Loco Hills, New Mexico 88255-0004

Foran Oil Company
8340 Meadow Rd.
Pecan Creek, Suite 158
Dallas, Texas 75231
ATTN: Mr. David N. Frye