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Florene Davidson
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87503

Dear Florene:

Please find enclosed the original and two copies of Santa Fe Energy Operating Partners, L.P.'s Application for an Unorthodox Gas Well location, etc. in Lea County, New Mexico, along with a proposed advertisement. Please set this matter for the September 23 hearing. Thank you.

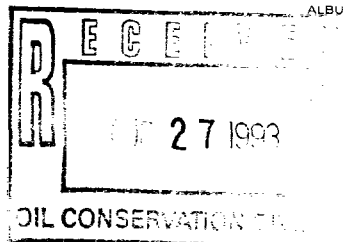
Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

James Bruce

Enclosures

VIA HAND DELIVERY



BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE ENERGY
OPERATING PARTNERS, L.P. FOR AN
UNORTHODOX GAS WELL LOCATION AND
TO AMEND ORDER NO. R-9904, LEA
COUNTY, NEW MEXICO.

No. 10828

APPLICATION

Santa Fe Energy Operating Partners, L.P. hereby makes application for an unorthodox gas well location in the N $\frac{1}{2}$ of Section 18, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and to amend Order No. R-9904 to allow for an unorthodox well location, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in the N $\frac{1}{2}$ of said Section 18.

2. Applicant proposes to drill its Sinagua "18" Fed. No. 1 Well in the N $\frac{1}{2}$ of Section 18, at an unorthodox location 2,210 feet from the North line and 2,210 feet from the East line of the Section, to a depth sufficient to test the Morrow formation, and seeks to dedicate the N $\frac{1}{2}$ of Section 18 to the well.

3. The Division issued Order No. R-9904 on June 4, 1993, force pooling the N $\frac{1}{2}$ of said Section 18, for a Morrow test well to be drilled at an orthodox location.

4. Applicant's original APD, for a well at an orthodox location, was denied by the Bureau of Land Management due to possible potash mineralization at the proposed location. The Bureau of Land Management has verbally approved the above-described unorthodox well location.

5. Therefore, applicant requests approval of the unorthodox well location, and that Order No. R-9904 be amended to permit the drilling of a well at the above-described unorthodox location.

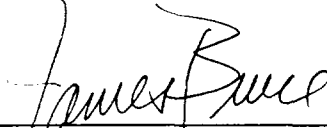
6. The approval of the unorthodox gas well location and the amendment of Order No. R-9904 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that the Division grant the relief requested above.

Dated: August 27, 1993.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD
& HENSLEY



James Bruce
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Attorneys for Applicant

Proposed Advertisement

Case No. 10828: Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox gas well location and to amend Order No. R-9904, Lea County, New Mexico. Applicant seeks approval to drill its Sinagua "18" Fed. No. 1 Well as a gas well at an unorthodox location 2,210 feet from the North and East lines (Unit G) of Section 18, Township 20 South, Range 34 East, to test the Morrow formation. The N $\frac{1}{2}$ of said Section 18 will be dedicated to the well. Applicant further requests that Order No. R-9904, a compulsory pooling order, be amended to permit the drilling of a well at said unorthodox location. Said well is located approximately four miles southwest of the Warren Gas Co. Compressor Station.

FILED

27 1993