

Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

April 20, 1989

Mr. William J. Lemay
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504-2088

Re: Clydesdale 15 State No. 1
660' FEL & 2200' FSL
Sec. 15, T-16S, R-36E
Lea County, New Mexico

Dear Sir:

Santa Fe Energy Operating Partners, L.P. respectfully requests administrative approval to directionally drill the subject well from an unorthodox surface location to an orthodox bottom hole location.

Because of topographical circumstances as outlined on the attached Form C-102 labeled Exhibit 1, an unorthodox surface location is necessary. The orthodox location is within the Lovington city limits and closer than 300' to an occupied house and an occupied business building as the plat shows.

Santa Fe proposes to use the surface location indicated on the attached Form C-102 labeled Exhibit 2 (500' FWL & 2300' FSL) and directionally drill the well such that all of the potentially productive pay zones would be encountered at orthodox locations and the wellbore at T.D. would be at the orthodox location of 660' FEL and 2200' FSL.

Exhibit 3 is a schematic drawing indicating the proposed path of the wellbore which would be necessary to accomplish this.

Permian Basin District
500 W. Illinois
Suite 500
Midland, Texas 79701
915/687-3551