

Memo

10-28-93

From

DOROTHY

To George Wagner • Santa Fe #1
N-9-19N-6W

In reference to this well, operator
Change to Hospat Coal Co,

I can not approve your C104
operator change. The lease transfer
from James Woodley is not
acceptable per Frank Chavez.

Please call Frank, if you have any
questions.

Thanks

DATE: 7/30/93

TIME: 3:00

PAGE: 1 OF 6

RECEIVED

JUL 30 1993

OIL CON. D.
DIST. 3

Oil Conservation Division

Aztec, New Mexico

OIL AND GAS LEASE
VIA THE WOODLEY
ANY AND A COPY
ND GAS LEASE. IF
OF THIS TRANSFER
ING AND ABANDONING

THE WELL IN SECTION 9, PLEASE CONTACT ME AT
880-5384.

THANK YOU -

George Wagner

Hospah Coal Company

6200 Uptown Blvd. N.E., Suite 400
Albuquerque, New Mexico 87110
Box 27019
Albuquerque, New Mexico 87125
505/880-5300 Fax# 505/880-5435

*Santa Fe #1
N. 9. 14N-6W*

August 16, 1993

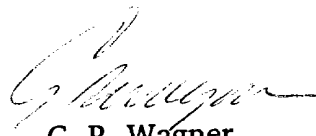
Ms. Dianna Fairhurst
New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
AUG 18 1993
OIL CON. DIV.
DIST. 3

Dear Ms. Fairhurst:

Enclosed is form C-104 to show the change of operator on Santa Fe well number one (1). Please proceed with the approval of the NII-PA covering this well. If you have any questions, please contact me or Gary Simpson of this office.

Very truly yours,



G. R. Wagner
Manager - Lease Records

GRW:bls
Enclosure

cc: Gary Simpson

8/27/93

*Dianna,
Per Frank, we can't
approve C-104 ops. change -
need Bond, & the Fax
Copies inside the folder
~~last~~ ~~content~~ ~~to~~ ~~be~~ ~~done~~
Will you talk to them P.D.*

SANTA FE PACIFIC GOLD CORPORATION

6200 Uptown Blvd. NE, Suite 400

Box 27019

Albuquerque, NM 87125

(505) 880-5300 Office

(505) 880-5435 Telecopier

TELECOPIER COVER LETTER

DATE: 7/30/93

TIME: 3:00

PAGE: 1 OF 6

PLEASE DELIVER TO:

NAME: DIANA FAIRHURST

COMPANY: OIL CONSERVATION DIVISION

FAX#: 334 6170

PHONE #:

FROM: GEORGE LUAGNER

RECEIVED

JUL 30 1993

OIL CON. D.
DIST. 3

MESSAGE:

DEAR MS FAIRHURST:

I'M ATTACHING COPIES OF OIL AND GAS LEASE
TRANSFER FROM JAMES WOODSLEY DIED THE PROPERTY
IN WINDMILL TO HOSKIN COAL COMPANY AND A COPI
REQUIRE AND TERMINATION OF OIL AND GAS LEASE. IF
YOU NEED FURTHER DOCUMENTATION OF THIS TRANSFER
OR COVER SHEET PRIOR TO OUR PLUGGING AND ABANDONING
THE WELL IN SECTION 9, PLEASE CONTACT ME AT
880-5384.

THANK YOU -

George Luagner

RECORDED AT THE REQUEST OF
AND RETURN TO:
Hospah Coal Company
ATTN: Lease Records
Box 27019
Albuquerque, NM 87125

JUN 21 1 53 PM '93

McKINLEY COUNTY

OIL AND GAS LEASE TRANSFER

This Oil and Gas Lease Transfer ("Transfer") is dated and effective this 11th day of June, 1993, by and between James P. Woosley d/b/a The Woosley Oil Company, a sole proprietorship, Evelyn I. Woosley, and Ken Barker, as Receiver, appointed on June 6, 1991 in the case Citizens State Bank of Cortez vs. James P. Woosley, Individually and d/b/a The Woosley Oil Company and Evelyn I. Woosley, case No. 89 CV 32 (together "Woosley"), and Hospah Coal Company, a Delaware corporation ("Hospah").

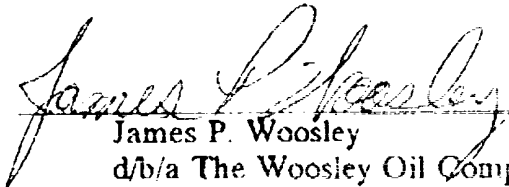
By virtue of various mesne transfers, Woosley is currently Lessee and Hospah is currently Lessor under the Oil and Gas Lease dated February 12, 1979, by and between Santa Fe Pacific Railroad Company and WTR Oil Company, as recorded in the records of McKinley County, New Mexico, as Exhibit A to Assignment of Oil and Gas Lease between WTR Oil Company and Robert Holland, Jr., Trustee, dated July 20, 1983 and recorded on September 13, 1983 at 54 Book of Leases, Pages 471-485 and recorded as Exhibit A to Assignment of Oil and Gas Lease between Robert Holland, Jr., Trustee, and James P. Woosley dated July 27, 1983, and recorded on September 13, 1983 in 54 Book of Leases, Pages 537-548. As of the date of this Transfer, the leased premises under the Oil and Gas Lease dated February 12, 1979, are S/2SW/4, S/2N/2SW/4, SW/4SE/4, S/2NW/4SE/4 of Section 9, Township 19 North, Range 6 West, McKinley County, New Mexico ("Leased Premises").

Woosley and Hospah hereby agree to the provisions of this Transfer for the consideration stated herein:

(1) Woosley hereby assigns, transfers and quitclaims to Hospah all of Woosley's right, title and interest in and to the Oil and Gas Lease dated February 12, 1979, and the Leased Premises, together with all of Woosley's personal property, fixtures, equipment and improvements located in, on or under the Leased Premises

(2) Hospah hereby assumes and undertakes all of Woosley's obligations as lessee under the Oil and Gas Lease dated February 12, 1979, including, without limitation, all reclamation, abandonment, plugging and restoration obligations and activities required under applicable law with respect to the Leased Premises, at Hospah's sole cost and expense and shall indemnify and defend Woosley for and against any claims, actions, costs or liabilities under the Oil and Gas Lease dated February 12, 1979, or such applicable law arising out of or relating to Woosley's use, operation or occupancy of the Leased Premises.

(3) Woosley and Hospah hereby acknowledge that by this Transfer Hospah shall acquire all right, title and interest in and to the Oil and Gas Lease dated February 12, 1979, for all purposes. Woosley acknowledges that from and after the date of this Transfer Woosley shall have no rights in or to the Leased Premises by virtue of the Oil and Gas Lease dated February 12, 1979, or otherwise.


James P. Woosley
d/b/a The Woosley Oil Company


Evelyn I. Woosley


Ken Barker, Receiver

HOSPAH COAL COMPANY

By 

Its Vice President

STATE OF *Colorado*)
)ss.
 COUNTY OF *Montezuma*)

On this 16th day of June, 1993, before me personally appeared James P. Woosley and Evelyn I. Woosley, whom I know to be the persons whose names are subscribed to this instrument, and they acknowledged that they executed the same.

Laurie M. Dannelly
 Notary Public

My Commission Expires:

11/22/94

STATE OF NEW MEXICO)
)ss.
 COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 16th day of June, 1993, by D. K. Hegan, Vice President of Hesper Coal Company, a Delaware corporation, on behalf of the corporation.

Laurie L. Carpenter
 Notary Public

My Commission Expires

June 21, 1993



OFFICIAL SEAL
 LAURIE L. CARPENTER
 NOTARY PUBLIC - STATE OF NEW MEXICO
 My Commission Expires 6-21-93

6 3160

STATE OF *Colorado*)
)ss.
COUNTY OF *Montezuma*)

The foregoing instrument was acknowledged before me this 16th day of June, 1993
by Ken Barker, acting in the capacity of Receiver in the case Citizens State Bank of Cortez
vs. James P. Woosley, Individually and d/b/a The Woosley Oil Company and Evelyn I.
Woosley, Case No. 89CV32, in his capacity of Receiver.

Julia M. Harnelby

Notary Public

My Commission Expires:

1/22/94

#155,690
STATE OF NEW MEXICO } ss.
COUNTY OF MEQUENBY }
Filed for record in the Clerk's office
the 15th day of June
A. D. 1993
and George L. Book
of COM
[Signature]
[Signature]

RELEASE AND TERMINATION OF OIL AND GAS LEASE

This Release and Termination of Oil and Gas Lease ("Release") is dated this 21st day of June, 1993, and is executed by Hospah Coal Company ("Hospah").

WHEREAS, Hospah and WTR Oil Company entered into an Oil and Gas Lease ("Lease") dated February 12, 1979 which currently covers the S/2 SW/4, S/2 N/2 SW/4, SW/4 SE/4, and S/2 NW/4 SE/4 of Section 9, Township 10 North, Range 6 West, McKinley County, New Mexico ("Leased Premises"). The Lease was recorded in the records of McKinley County, New Mexico, on September 13, 1983 as Exhibit A to an Assignment of Oil and Gas Lease between WTR Oil Company and Robert Holland, Jr., Trustee, dated July 20, 1982, at Book 54 of Leases, Pages 471-485 and recorded on September 13, 1983 as Exhibit A to Assignment of Oil and Gas Lease between Robert Holland, Jr., Trustee, and James P. Winick, Jr. on July 27, 1983 in Book 54 of Leases, Pages 537-548.

WHEREAS, by virtue of Quitclaim Deed dated June 16, 1993 and effective June 1, 1993, the interest in Book 54 of Leases, Pages 515-517 of the McKinley County records, from James P. Winick, Jr., Trustee, Robert Holland, Jr., Trustee, and Santa Fe Energy, P.S. interests in Hospah, H.C. Winick, Jr., Trustee, transferred (100%) of the Lessor's interest under the lease, and

WHEREAS, the Lease of Oil and Gas Lease Transfer dated June 11, 1993 from James P. Winick, Jr., Trustee, Robert Holland, Jr., Trustee, and Ken Barker, Executor of the estate of Citizens Gas Production Company, James P. Winick, Jr., Trustee, and John F. Winick, Jr., Trustee, Case No. 89CV32, to Hospah, transferred (100%) of the Lessor's interest in the Lease, recorded in Book 54 of Leases, Pages 515-517 of the McKinley County records, Hospah transferred (100%) of the Lessor's interest under the Lease.

NOW, THEREFORE, as there has occurred a merger of the interests in the Lease and the Lease, the Lease is hereby terminated and the Lease is hereby released, and the Lease is hereby terminated as of the 21st day of June, 1993, and the Lease is no longer in effect.

IN WITNESS WHEREOF, Hospah has set its hand and seal this 21st day of June, 1993.

HOSPAH COAL COMPANY

By [Signature]
Its Vice President

STATE OF NEW MEXICO)
SS
COUNTY OF BERNALILLO)

On the 21st day of June, 1993, personally appeared before me Laurie L. Carpenter, known to me to be the Vice President of Hospah Coal Company, a Delaware corporation, and acknowledged that said document was signed by him on behalf of said corporation.



OFFICIAL SEAL
LAURIE L. CARPENTER
NOTARY PUBLIC - STATE OF NEW MEXICO
Notary Bond Filed With Secretary of State

My Commission Expires 6-21-97

My Commission Expires:

Laurie L. Carpenter
Notary Public

June 21, 1997