

**PRORATION UNIT
PROPOSED LOCATION
SFEOP, L.P. ACREAGE**

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT 1

CASE NO. 11079



SANTA FE ENERGY OPERATING PARTNERS, L.P.

**PERMIAN BASIN DISTRICT
MIDLAND, TEXAS**

**S. LEA
LEA COUNTY, NEW MEXICO**

CYGNET "4" FED. COM. #1

GEOL.
SCALE **1:4000'**

DATE
FILE **8/30/94**

Santa Fe
Exhibits 1 through 11
Complete Set



IN REPLY
REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell District Office
1717 West Second Street
Roswell, New Mexico 88201-2019

RECEIVED

MAR 29 1994

LAND DEPT.
MIDLAND, TX

3934 (06557)

MAR 25 1994

Santa Fe Energy Operating Partners. L.P.
550 West Texas, Suite 1330
Midland, TX 79701

Re: Well No.1-Cygnnet "4" Fed Com
Lease No. NMNM-81271
NW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 4, T. 22 S., R. 32 E.
Lea County, New Mexico

Gentlemen:

Your letter dated February 28, 1994, and received on March 1, 1994, requested a suspension of operations for lease NMNM 81271, which is in its primary term and expires on March 31, 1994.

An Application for Permit to Drill (APD) for the referenced well was submitted on February 25, 1994, with the Bureau of Land Management, Carlsbad Resource Area office. The APD is currently being processed.

Because of unresolved surface resource conflicts encountered during the on-site inspection by our resource specialist, there will be a delay in processing the APD. Therefore, the APD cannot be processed prior to the expiration date of the referenced lease.

Accordingly, pursuant to the provisions of 43 CFR 3103.4-2, the request for suspension and production is hereby approved. The suspension is effective March 1, 1994, the first day of the month in which the request for suspension was filed.

The suspension of operations and production shall terminate:

- (a) On the first day of the month in which the operator is notified in writing that the APD is denied;
- (b) On the first day of the month in which actual operations are commenced after the APD has been approved; or
- (c) If operations are not commenced within thirty (30) days from the date the APD is approved, the suspension will terminate on the first day of the following month after the 30-day period.

When the suspension lifts, there will be thirty-one (31) days left on the primary term of the lease. Since this approval is for suspension of operations and production, all rental and/or royalties will be waived during the period of suspension.

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT

2

CASE NO. 11079

Please contact Armando Lopez at (505)627-0248 if any additional information is required.

Sincerely,

Tony L. Ferguson

Tony L. Ferguson
Assistant District Manager
Minerals

10/10/88
898
See H
7 22-5, R 32-E

OFFSET OPERATORS
CYGNET "4" FED. COM. #1
Sec. 4
T-22-S, R-32-E
Lea County, New Mexico

Legal Description
T-22-S, R-32-E

Offset Owners

N/2 Section 4:	Texaco, Unocal, Phillips
N/2 Section 3:	Unocal
SW/4 Section 3:	Open
SE/4 Section 5:	Santa Fe Energy Operating Partners, L.P.
NE/4 Section 8:	Pogo Producing Company Marbob Energy Corporation
NW/4 Sec. 10:	Maralo, David Pietenpol

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT 3

CASE NO 11079

EWP2049

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE ENERGY
OPERATING PARTNERS, L.P. AN
UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO

No. 11,079

AFFIDAVIT REGARDING NOTICE

STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

James Bruce, being duly sworn upon his oath, deposes and states:

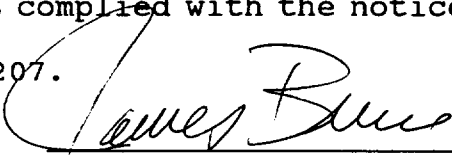
1. I am over the age of 18 and have personal knowledge of the matters stated herein.

2. I am an attorney for Applicant.

3. Applicant has conducted a good faith, diligent effort to find the correct addresses of interest owners entitled to receive notice of the Application herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by certified mail. Copies of the notice letters and certified return receipts are attached hereto.

5. Applicant has complied with the notice provisions of Rule 104(F) and Rule 1207.


James Bruce

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT 4

CASE NO. _____

SUBSCRIBED AND SWORN TO before me this 31st day of August, 1994 by James Bruce.

Jose Romero
Notary Public

My Commission Expires:

8-15-95

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554 FAX (505) 982-8623

LEWIS C COX JR (1924-1993)
CLARENCE E HINKLE (1904-1985)

OF COUNSEL
O M CALHOUN* JOE W WOOD
RICHARD L CAZZELL* RAY W RICHARDS*
L A WHITE*

AUSTIN AFFILIATION
HOFFMAN & STEPHENS, P.C.
KENNETH R HOFFMAN*
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DARREN T GROCE*
MOLLY MCINTOSH
MARCIA B LINCOLN
SCOTT A SHUART*
PAUL G NASON
CATHRYN MCCLANAHAN
R TREY* ARVIZU, III
AMY C WRIGHT*

*NOT LICENSED IN NEW MEXICO
**FORMERLY COMPRISING THE FIRM OF
CULTON, MORGAN, BRITAIN & WHITE, P.C.

PAUL W EATON
CONRAD E COFFIELD
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MARK C DOW
FRED W SCHWENDIMANN
JAMES M HUDSON
JEFFREY S BAIRD*
THOMAS E HOOD**
REBECCA NICHOLS JOHNSON

July 28, 1994

TO: PERSONS ON EXHIBIT 1:

Santa Fe Energy Operating Partners, L.P. has filed an application with the New Mexico Oil Conservation Division for administrative approval of an unorthodox gas well location for Santa Fe's proposed Cygnet 4 Fed. Com. No. 1 Well, located 2310 feet from the South line and 1800 feet from the East line of Section 4, Township 22 South, Range 32 East, Lea County, New Mexico. The well will be drilled to test the Morrow formation, and the S½ of Section 4 will be dedicated to the Well. If you have any objection to the granting of the unorthodox well location, please notify Michael E. Stogner at the Oil Conservation Division, Post Office Box 2088, Santa Fe, New Mexico, 87504 within fifteen days of receipt of this letter.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

Attorneys for Santa Fe Energy
Operating Partners, L.P.

JGB/sp

persons.ltr

EXHIBIT 1

✓ WTI 1993, LTD.
4714 Valley Ridge Court
Ft. Collins, Colorado 80526

Cal-Mon Oil Company
Post Office Box 2066
Midland, Texas 79702

✓ Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

✓ Union Oil Company of California
Post Office Box 3100
Midland, Texas 79702

✓ Phillips Petroleum Company
4001 Penbrook, Suite 401
Odessa, Texas 79767

✓ Pogo Producing Company
Post Office Box 10340
Midland, Texas 79702

✓ David Pietenpol
4714 Valley Ridge Court
Ft. Collins, Colorado 80526

✓ Maralo Inc.
Post Office Box 832
Midland, Texas 79702

✓ Marbob Energy Corporation
Box 217
Artesia, New Mexico 88210

✓ Texaco Exploration and Production Inc.
Post Office Box 730
Hobbs, New Mexico 88240

address.lst

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and 2 for additional services.
- Complete items 3, a, & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
WTI 1993, LTD
4714 Valley Ridge Court
Ft. Collins Co. 80526

4a. Article Number
P023919442

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
8-1-94

5. Signature (Addressee)
[Signature]

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and 2 for additional services.
- Complete items 3, a, & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Commissioner of Public Lands
30 Old Subite Trail
Santa Fe, NM 87501

4a. Article Number
P023914444

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)
[Signature]

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and 2 for additional services.
- Complete items 3, a, & b.
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I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Union Oil Corp. of California
P.O. Box 3100
Midland, TX 79702

4a. Article Number
P023919445

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
AUG 1 1994

5. Signature (Addressee)

6. Signature (Agent)
[Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

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I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Phillips Petroleum Company
4001 Pembroke, Suite 401
Odessa, Tx 79767

4a. Article Number
PD23919446

4b. Service Type
☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
8-1-94

5. Signature (Addressee)
[Signature]

6. Signature (Agent)
[Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 **DOMESTIC RETURN RECEIPT**

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- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Pogo Producing Company
P.O. Box 10340
Midland, Tx, 79702

4a. Article Number
PD23919447

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
AUG - 1 1994

5. Signature (Addressee)
[Signature]

6. Signature (Agent)
F. J. J. J.

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 **DOMESTIC RETURN RECEIPT**

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- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
David Pieterpol
4714 Valley Ridge Court
Ft. Collins, Co. 80526

4a. Article Number
PD23919448

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
8-1-94

5. Signature (Addressee)
[Signature]

6. Signature (Agent)
[Signature]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

SENDER:

- Complete items 1 and 2 for additional services.
- Complete items 3, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Maralo Inc.
P.O. Box 832
Midland, Tx 79702

4a. Article Number

2023919449

4b. Service Type

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery

AUG 1 1994

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

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I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Marbobb Eng Corp
Box 217
Artesia, NM 88210

4a. Article Number

2023919449

4b. Service Type

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery

8-1-94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

SENDER:

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- Complete items 3, and 4b.
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- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Texas Exploration Products Inc.
P.O. Box 730
Hobbs, NM 88240

4a. Article Number

2023919451

4b. Service Type

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery

8-3-94

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1992-323-402 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

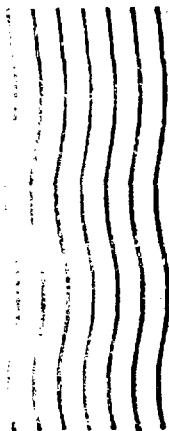
POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

CERTIFIED

P 023 919 443 PM

MAIL

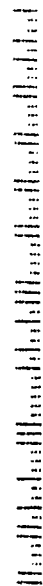


Cal-Mex Oil Company
P. O. Box 2066
Midland, TX 79702

~~C~~
~~NAME NOTICE 7-30~~
~~1ST NOTICE 8-17~~
~~2ND NOTICE 8-17~~
~~RETURN~~

CERTIFIED MAIL
NO. 023 919 443
RETURN RECEIPT REQUESTED

79702-2066



HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504-2068
(505) 982-4554 FAX (505) 982-8623

PAUL W. EATON
DONRAD E. COFFIELD
AROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
J. D. MARTIN
ROBERT P. TANNIN, JR.
MARSHALL G. MARTIN
MASTON C. COURTNEY**
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JARY D. COMPTON*
W. H. BRIAN, JR.**
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CHARLES R. WATSON, JR.**
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
MARK C. ODW
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REBECCA NICHOLS JOHNSON

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CLARENCE E. HINKLE (1901-1985)

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RICHARD L. CAZZELL*, RAY W. RICHARDS**
L. A. WHITE**

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MARCIA B. LINCOLN
SCOTT A. SHUART*
PAUL G. NASON
CATHRYN MCCLANAHAN
R. TREV ARVIZU, III
AMY C. WRIGHT*

*NOT LICENSED IN NEW MEXICO
**FORMERLY COMPRISING THE FIRM OF
CULTON, MORGAN, BRITAIN & WHITE, P.C.

August 11, 1994

VIA CERTIFIED MAIL

TO: PERSONS ON EXHIBIT 1:

We previously sent you notice of an administrative application which Santa Fe Energy Operating Partners, L.P. filed with the New Mexico Oil Conservation Division for approval of an unorthodox gas well location for Santa Fe's proposed Cygnet 4 Fed. Com. No. 1 Well, located 2310 feet from the South line and 1800 feet from the East line of Section 4, Township 22 South, Range 32 East, Lea County, New Mexico. The well will be drilled to test the Morrow formation, and the S½ of Section 4 will be dedicated to the Well. Due to an objection by one offset owner, this matter has been scheduled for hearing at 8:15 a.m. on September 1, 1994 at the Division's office in Santa Fe, New Mexico. Failure to appear and object at that time will preclude you from objecting at a later date.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY


James Bruce

Attorneys for Santa Fe Energy
Operating Partners, L.P.

JGB/sp

persons2.1tr

EXHIBIT 1

WTI 1993, LTD.
4714 Valley Ridge Court
Ft. Collins, Colorado 80526

Cal-Mon Oil Company
Post Office Box 2066
Midland, Texas 79702

Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Union Oil Company of California
Post Office Box 3100
Midland, Texas 79702

Texaco Exploration and Production Inc.
Post Office Box 730
Hobbs, New Mexico 88240

address2.lst

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none">• Complete items 1 and/or 2 for additional services.• Complete items 3, and 4a & b.• Print your name and address on the reverse of this form so that we can return this card to you.• Attach this form to the front of the mailpiece, or on the back if space does not permit.• Write "Return Receipt Requested" on the mailpiece below the article number.• The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Commissioner of Pub. Lands 310 Old Santa Fe Trail Santa Fe, NM 87501		4a. Article Number Return Rec P 023 913 318	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery AUG 18 1991 USPS NM	
5. Signature (Addressee) Mike		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent)			

PS Form 3811, December 1991 ★U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none">• Complete items 1 and/or 2 for additional services.• Complete items 3, and 4a & b.• Print your name and address on the reverse of this form so that we can return this card to you.• Attach this form to the front of the mailpiece, or on the back if space does not permit.• Write "Return Receipt Requested" on the mailpiece below the article number.• The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: WTI 1993, Ltd. 4714 Valley Ridge Ct. Ft. Collins, CO 80526		4a. Article Number Return Receipt P 023 913 320 Request	
4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise		7. Date of Delivery AUG 18 1991	
5. Signature (Addressee)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Agent) C. West			

PS Form 3811, December 1991 ★U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Union Oil Co. of California
P.O. Box 3100
Midland, TX 79702

4a. Article Number *P023 913 317* *Return Rec't Requested*

4b. Service Type

<input type="checkbox"/> Registered	<input type="checkbox"/> Insured
<input checked="" type="checkbox"/> Certified	<input type="checkbox"/> COD
<input type="checkbox"/> Express Mail	<input type="checkbox"/> Return Receipt for Merchandise

7. Date of Delivery *AUG 15 1994*

5. Signature (Addressee)

6. Signature (Agent) *[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Taxaco Exploration & Production
P.O. Box 730
Hobbs, N.M. 88240

4a. Article Number *P023 913 316* *Return Rec't Requested*

4b. Service Type

<input type="checkbox"/> Registered	<input type="checkbox"/> Insured
<input checked="" type="checkbox"/> Certified	<input type="checkbox"/> COD
<input type="checkbox"/> Express Mail	<input type="checkbox"/> Return Receipt for Merchandise

7. Date of Delivery *8-17-94*

5. Signature (Addressee) *[Signature]*

6. Signature (Agent) *[Signature]*

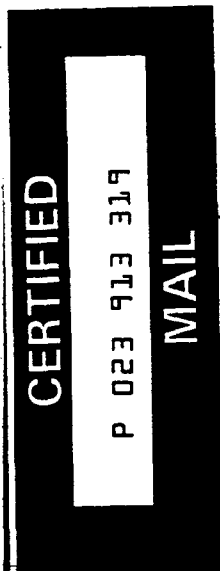
8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

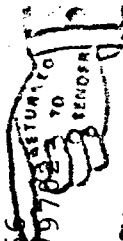
LAW OFFICES
HINKLE, COX, EATON, COFFIELD & HENSLEY
POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504-2068

AUG 1



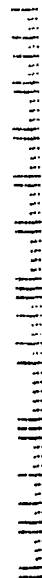
CERTIFIED MAIL
NO P 023 913 319
RETURN RECEIPT REQUESTED

Cal-Mon Oil Company
P. O. Box 2068
Midland, TX 79702



UNDELIVERABLE AS ADDRESSED.
FORWARDING ORDER EXPIRED

79702-2068



NM-90985
3105.2 (065)

JUN 29 1994

Texaco Exploration and Production Inc.
Attention: Mr. David L. Sleeper
P. O. Box 2100
Denver, CO 80201

Gentlemen:

Communitization Agreement (CA) NM-90985 was approved September 9, 1993, effective as of April 1, 1985. This agreement communitized the sec. 4, T. 22 S., R. 32 E., NMPM, Lea County, New Mexico involving 159.27 acres of Federal land in lease NM-14491 and 159.89 acres of Federal land in lease NM-86710 comprising a 319.16 acre well spacing unit as to natural gas and associated liquid hydrocarbons producible from the Atoka formation.

The term of the agreement is for two years and so long thereafter as communitized substances are or can be produced from the communitized area in paying quantities.

Our records show that the well in the above-described communitized spacing unit, your No. 1-Bilbrey Federal Com located on Federal lease NM-86710, in the NE1/4 sec. 4 last produced from the communitized formation during March 1991. Our certified letter (P 293 291 667) of February 9, 1994, giving you 60 days in which to commence testing, reworking or drilling operations was received by your office on February 12, 1994. Since no operations to restore production or no production tests showing that the well is capable of production in paying quantities were commenced within the 60 days allowed, CA NM-90985 is considered terminated February 12, 1994.

Accordingly, in the absence of a well capable of producing communitized substances in paying quantities, Communitization Agreement NM-90985 is considered to have expired by its own terms as of February 12, 1994, the day the 60-day letter was received.

Please contact David Glass at (505) 627-0275 or at the letterhead address if any additional information is required.

Sincerely,

(Orig Sdg) Tony L. Ferguson

Tony L. Ferguson
Assistant District Manager,
Minerals

cc:
Commissioner of Public Lands, Santa Fe
NMIS, Denver (3240)
Texaco Exploration and Production, Inc.
Attention: Mr. Scott Warhaver
205 East Bend
Hobbs, New Mexico 88240
NM (94364)
NM (065, B. Lopez, D. Glass, M. L. Ormseth)
NM (067)

NEW MEXICO
BUREAU OF LAND MANAGEMENT
OIL CONSERVATION DIVISION

CASE NO. 11079

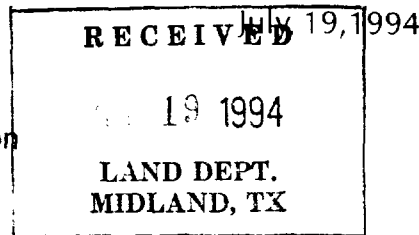
Note: Leases NM-14491 and NM-86710 should be considered for a two year extension, pursuant to 43 CFR 3107.4 as a result termination of subject agreement.

GLASS:bmc:6-28-94:NM-90985.TCA

Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
State Land Office
P. O. Box 2088
Santa Fe, New Mexico 87501



GG	TP
ST	TB
CS 7/19	DW
JS	DF
PR	GD
EFW	LJ
RR	DRFT
DS	FILE
KT	

RE: Unorthodox Location
Cygnet "4" Federal Com. No.1
NMNM-81271
2310' FSL & 1800' FEL, Sec.4-22S-32E
Lea County, New Mexico

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT

6

CASE NO. 11079

Dear Mr. Stogner:

In regard to our application for administrative approval of the captioned unorthodox location, the following is a summary of the sequence of events that require us to drill at this location.

- February 2, 1994, John West Engineering staked the well at our preferred location of 1980' FSL & 1980' FEL of Section 4, T-22S, R-32E, Lea County, New Mexico.
- February 25, 1994, Santa Fe Energy Operating Partners, L.P. submitted our APD for the captioned well to the BLM in Carlsbad, N.M.
- March 17, 1994, I received a phone call from Kathleen Boravek, Resource Specialist with the BLM, requesting that the location of the proposed well be moved. Upon performing an onsite inspection of our proposed location, she determined that our location was too close to a Playa / Buffalo Wallow and in addition there was a raptors nest in one of the mesquite trees surrounding the Playa. Since playas are related to Cave & Karst Activity, she requested that we move our proposed location north and east to 2310' FSL & 1800' FEL in order to avoid the playa. We also agreed to delay construction activity until after July 15, 1994 to avoid disturbing the raptors.
- March 21, 1994, John West Engineering staked the well at 2310' FSL & 1800' FEL.
- April 24, 1994, Santa Fe Energy Operating Partners, L.P. submitted a Sundry Notice with a new C-102 specifying the unorthodox location as requested.
- June 23, 1994, New Mexico State Office of the Bureau of Land Management approved our APD.

Cygnets "4" Fed. Com. No.1

Unorthodox Location

Page 2

I trust this is sufficient data to support our request for an unorthodox location. If you should require further documentation, please do not hesitate to contact me at 915-686-6614.

Sincerely,



Darrell Roberts
Division Drilling Engineer

cygnets1.ltr

cc: Mr. Curtis Smith
(SFEOP Land Dept.)

Mr. James Bruce
Hinkle Law Firm
Santa Fe, New Mexico
FAX 505-982-8623

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name CYGNET 4 FEDERAL COM.	Well Number 1
OGRID No.	Operator Name SANTA FE ENERGY OPERATING PARTNERS, LP	Elevation 3792'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	4	22 S	32 E		2310	SOUTH	1800	EAST	LEA

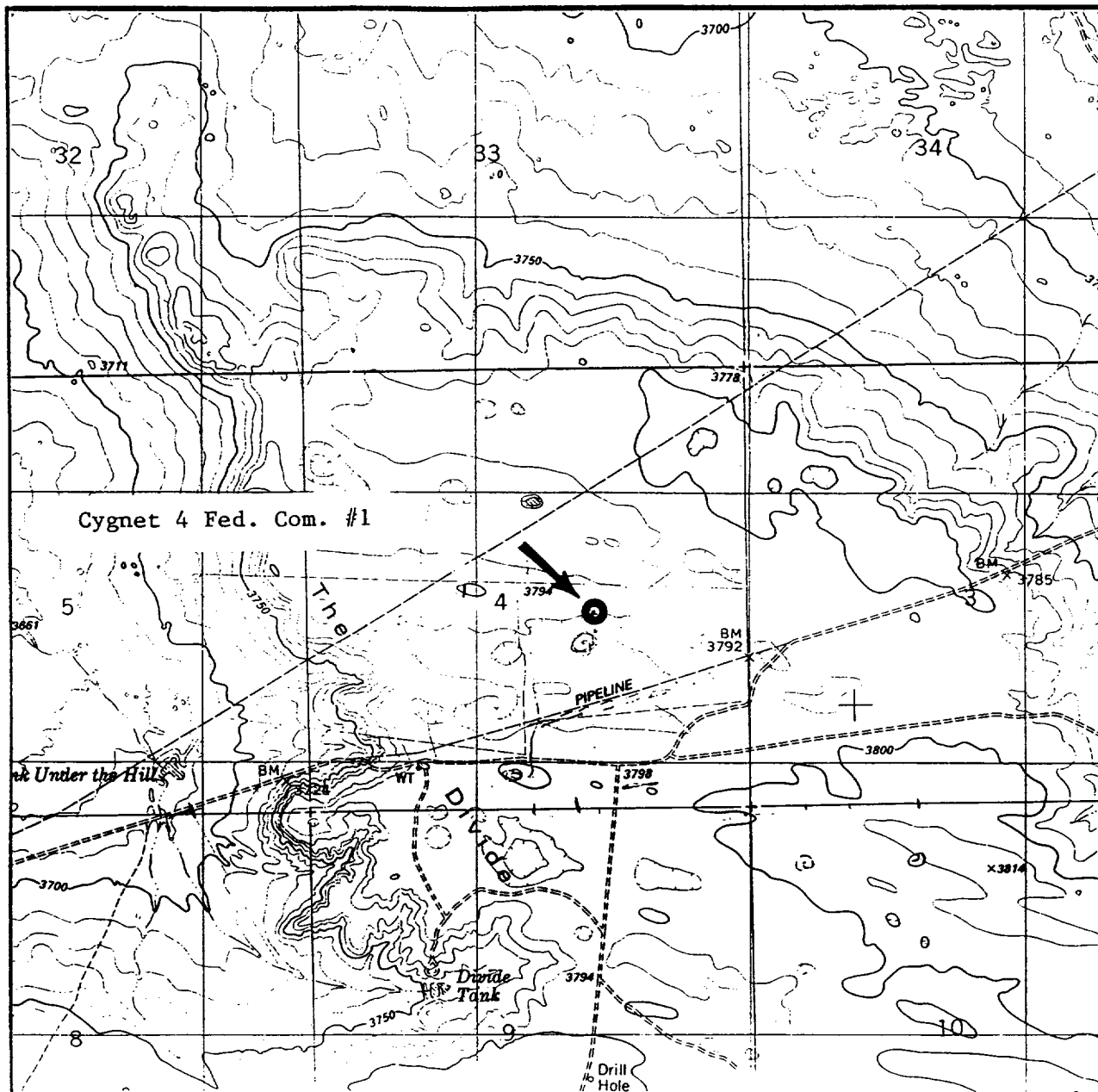
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 39.88 AC	LOT 3 39.76 AC	LOT 2 39.82 AC	LOT 1 39.89 AC
NEW MEXICO OIL CONSERVATION DIVISION			
SPEOP EXHIBIT 7			
CASE NO. 11079			
OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> _____ Signature _____ Printed Name _____ Title _____ Date			
SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> _____ Date Surveyed Signature & Seal of Professional Surveyor _____ W.O. Num. 94-11-0524 Certificate No. JOHN W. WEST, 676 RONALD J. EIDSON, 3239 GARY L. JONES, 7977			

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10'

SEC. 4 TWP. 22 S RGE. 32 E

SURVEY N.M.P.M.

COUNTY Lea STATE N.M.

DESCRIPTION 2310' FSL & 1800' FEL

ELEVATION 3792'

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117**

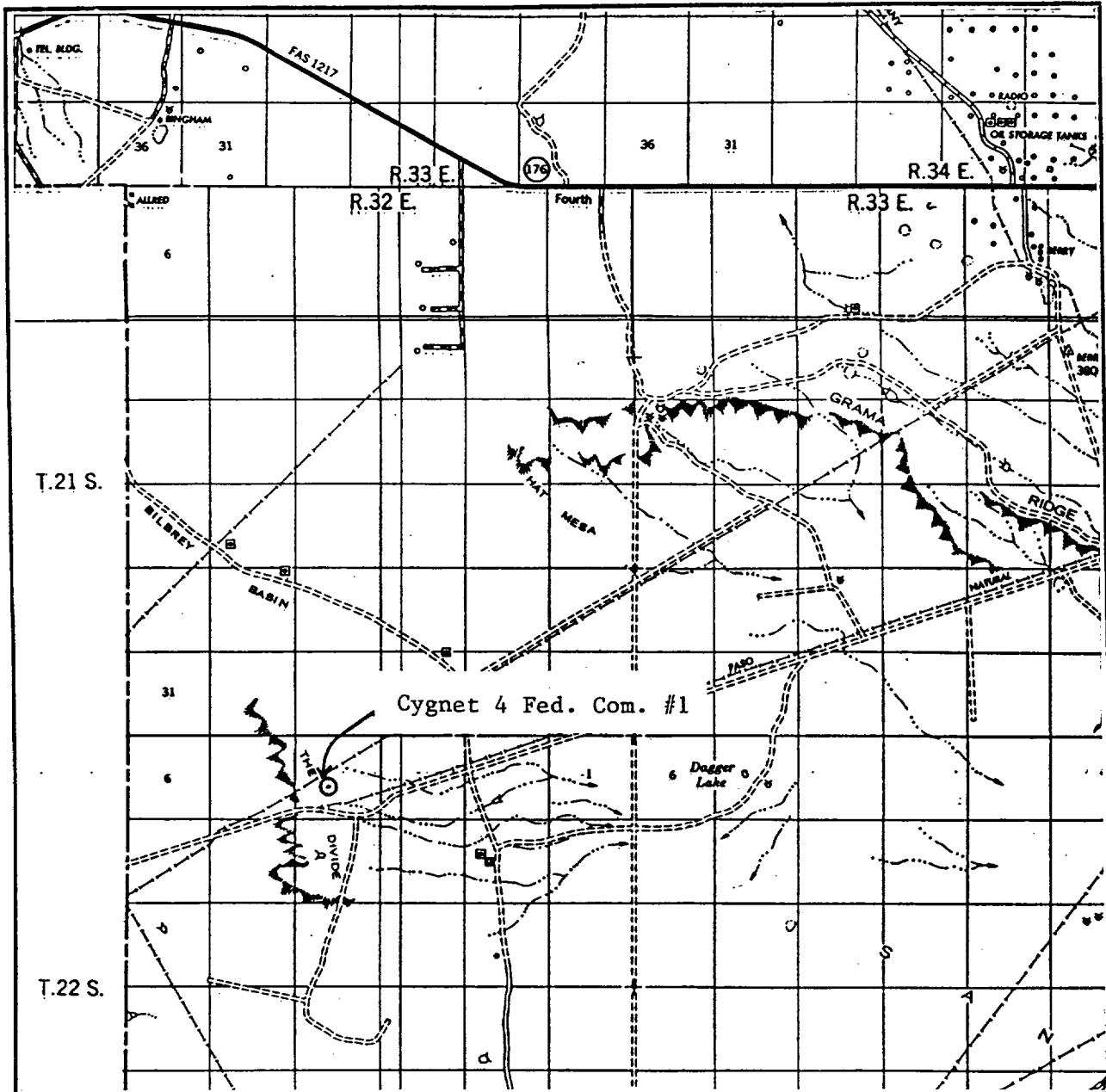
OPERATOR Santa Fe Operating Partners, LP

LEASE Cygnet 4 Fed. Com. No.1

U.S.G.S. TOPOGRAPHIC MAP

The Divide

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 4 TWP. 22 S RGE. 32 E

SURVEY N.M.P.M.

COUNTY Lea STATE N.M.

DESCRIPTION 2310' FSL & 1800' FEL

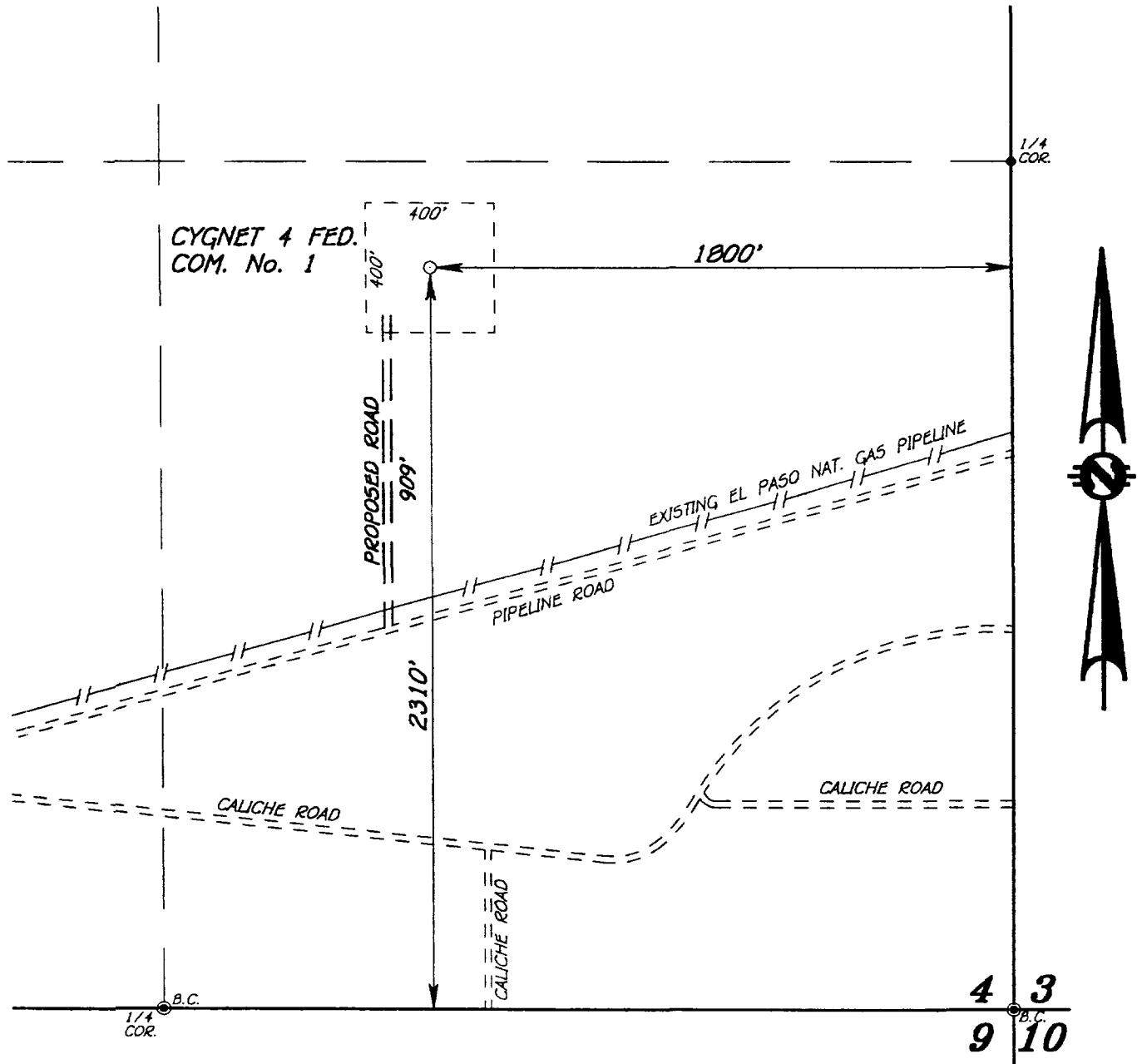
ELEVATION 3792'

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117**

OPERATOR Santa Fe Operating Partners, LP

LEASE Cygnet 4 Fed. Com. No.1

SECTION 4, TOWNSHIP 22 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



500 0 500 1000 FEET

SANTA FE ENERGY OPERATING PARTNERS, LP

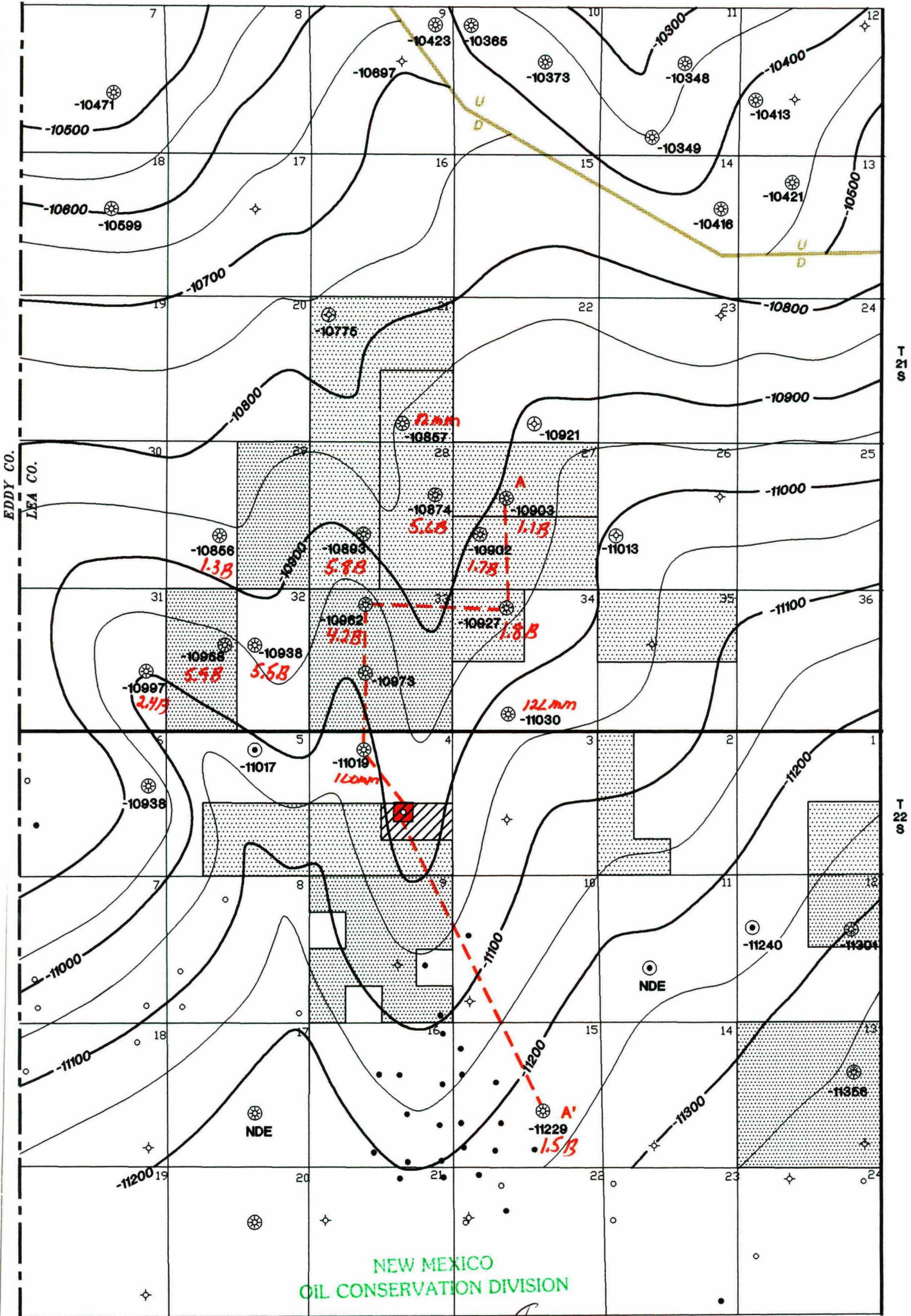
THE CYGNET 4 FEDERAL COM. No. 1 LOCATED 2310 FEET FROM THE SOUTH LINE AND 1800 FEET FROM THE EAST LINE OF SECTION 4, TOWNSHIP 22 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

Survey Date: 3-21-94 Sheet 1 of 1 Sheets

W.O. Number: 94-11-0524 Drawn By: S.C. NICHOLS

Date: 3-29-94 SAN0524 Scale: 1" = 500'



- SFEOP,LP ACREAGE
- YATES FLO ACREAGE
- PROPOSED LOCATION

Cumm. Prod from Morrow

EXHIBIT 8

CASE NO. 11079

Santa Fe Energy Operating Partners, LP.
 PERMIAN BASIN DISTRICT
 MIDLAND, TEXAS

LEA SOUTH AREA
RAFTERS (DEEP) PROSPECT
 LEA COUNTY, NEW MEXICO

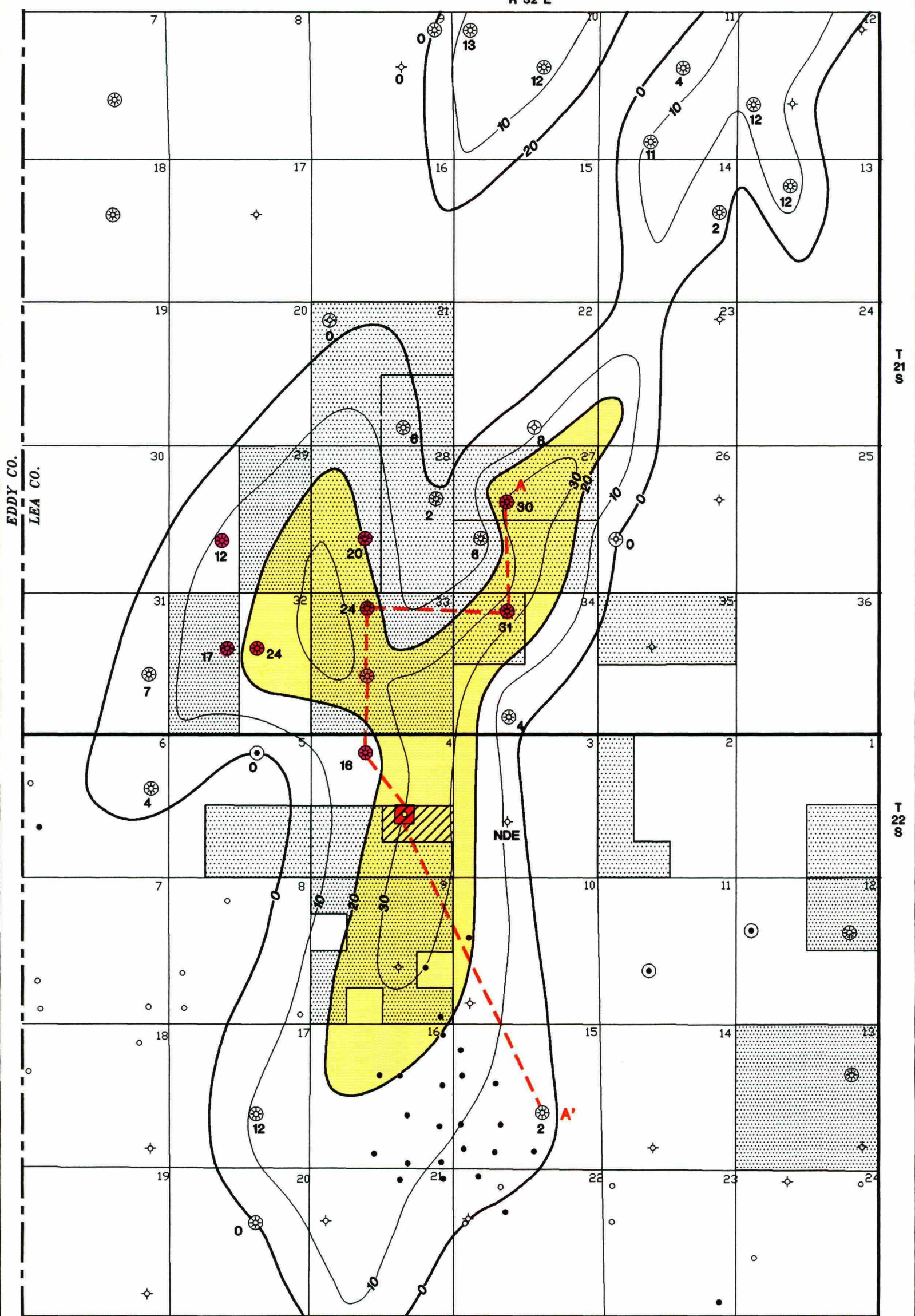
STRUCTURE MAP
TOP LOWER MORROW

Geol. D.White
 Scale: 1"=2000'

C.L.: 50'
 Date: 8-94

RAFTDEP.DWG File: 2-M-10

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE



NEW MEXICO
OIL CONSERVATION DIVISION
EXHIBIT 11
CASE NO. 11079

- SFEOP,LP ACREAGE
- YATES F/O ACREAGE
- PROPOSED LOCATION
- MORROW E+F PRODUCER

Santa Fe Energy Operating Partners, LP.
PERMIAN BASIN DISTRICT
MIDLAND, TEXAS

LEA SOUTH AREA
RAFTERS (DEEP) PROSPECT
LEA COUNTY, NEW MEXICO

ISOPACH MAP
MIDDLE MORROW 'E+F'
NET POROSITY $\phi \geq 6\%$

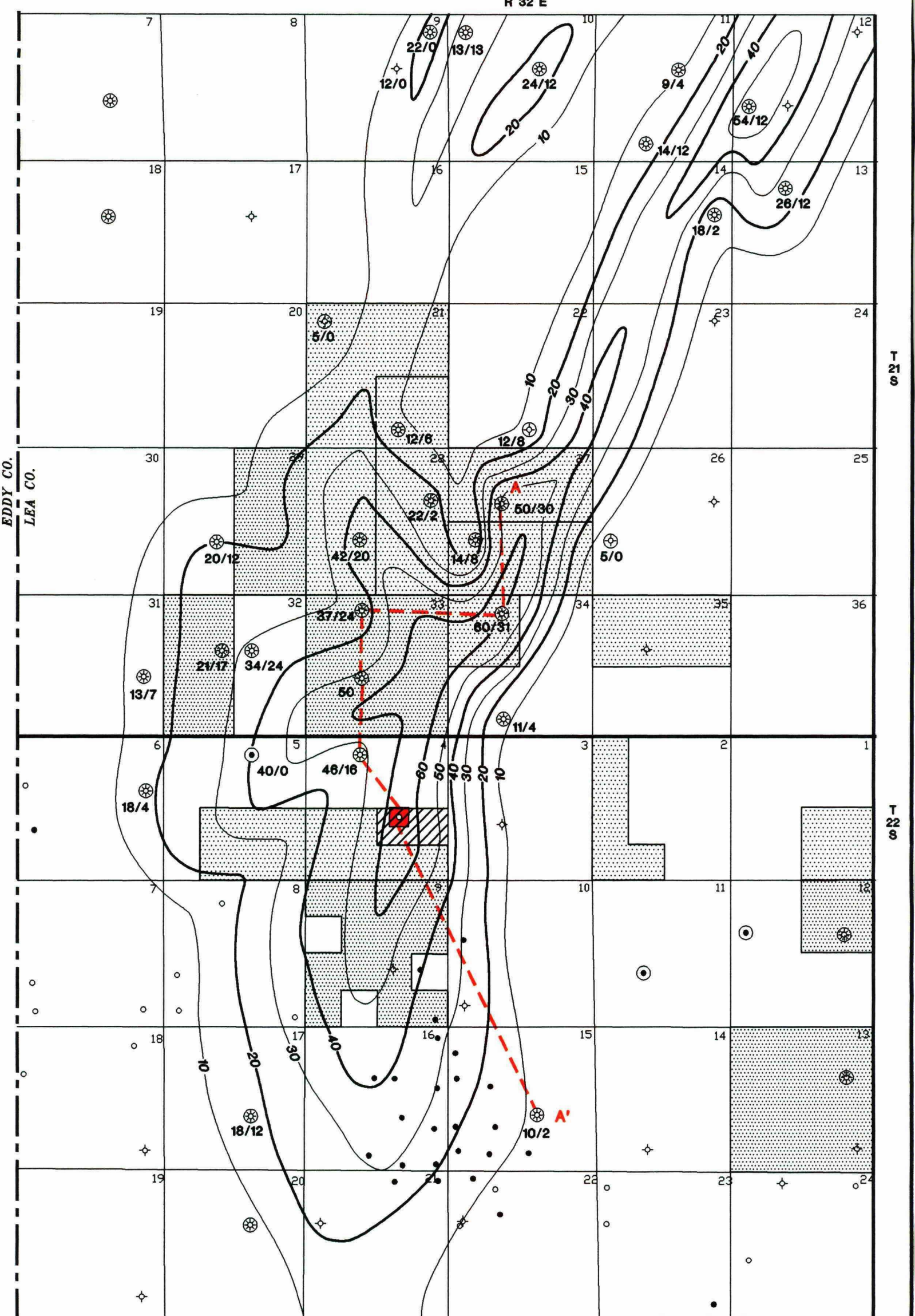
Geol. D.White
Scale: 1"=2000'




C.I.: 10'
Date: 8-94

RAFTDEP.DWG

File: 2-M-10

R 32 E




-  SFEOP, LP ACREAGE
-  YATES F10 ACREAGE
-  PROPOSED LOCATION

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT 10

CASE NO. 11079


Santa Fe Energy Operating Partners, LP.
 PERMAN BASIN DISTRICT
 MIDLAND, TEXAS

LEA SOUTH AREA
RAFTERS (DEEP) PROSPECT
 LEA COUNTY, NEW MEXICO

ISOPACH MAP
MIDDLE MORROW
'E+F' NET SAND

Geol. D. White C.I.: 10'
 Scale: 1"=2000' Date: 8-94
 RAFTDEP.DWG File: 2-M-10