

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. RM 97157		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Santa Fe Snyder Corp.			7. UNIT AGREEMENT NAME		
3. ADDRESS AND TELEPHONE NO. 550 W. Texas, Suite 1330; Midland, Texas 79701 (915) 682-6373			8. LAND OR LEASE NAME, WELL NO. & FEDERAL SURVEY Paloma Blanco 17 th Fed #1		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL & 660' FWL At proposed prod. zone			9. AN WELL NO.		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 20 miles West of Jal, New Mexico			10. FIELD AND POOL OR WILDCAT Antelope Ridge (Atoka) N. Bell Lake (Morrow)		
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 660'			11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA Sec. 17, T-23-S, R-34-E		
16. NO. OF ACRES IN LEASE 330			12. COUNTY OR PARISH Lea		
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE New Mexico		
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. NA			20. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, BT, GR, etc.) 3470' GR			22. APPROX. DATE WORK WILL START April 25, 2000		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	H-40 13 3/8"	48.0	1000'	500 sx to circulate
12 1/4"	K-55 9 5/8"	40.0	5000'	1450 sx to circulate
8 3/4"	S-95 & P-110	26.0	11800'	800 sx to TOC @ 6000'
6 1/8"	S-95 4 1/2"	13.5	14000'	250 sx (circ to liner top)

We propose to drill to a depth sufficient to test the Morrow formation for gas. If productive, a 4 1/2" liner will be run to TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order No. 1 are outlined in the following attachments:

Drilling Program

- Exhibit A - Operations Plan
- Exhibit B - BOP and Choke Schematic 5-M
- Exhibit B(A) - BOP and Choke Schematic 10-M
- Exhibit C - Drilling Fluid Program
- Exhibit D - Auxiliary Equipment

- Exhibit E - Topo Map at Location
- Exhibit F - Map Showing Existing Wells
- Exhibit G - Well Site Layout
- Surface Use and Operations Plan

Santa Fe Snyder Corp. accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Bond Coverage: Blanket Bond

BLM Bond File No.: UT-0855

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

James P. Blum

TITLE

Agent for Santa Fe Snyder Corp. DATE 3-27-00

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

Larry D. Bray

TITLE

Assistant Field Manager,
Lands And Minerals

DATE

MAY 17 2000

*See Instructions On Reverse Side

APPROVED BY

**BEFORE THE
OIL CONSERVATION DIVISION**
Case No. 12393 Exhibit No. — **10**
Submitted By:
Santa Fe Snyder Corporation
Hearing Date: May 18, 2000
