



**Santa Fe Snyder Corporation**

VIA FAX AND CERTIFIED MAIL - RETURN RECEIPT  
(281) 618-4757

April 13, 2000

Southwestern Energy Production Company  
2350 N. Sam Houston Parkway E., Suite 300  
Houston, Texas 77032  
ATTN: Mr. Samuel Glenn Thompson

BEFORE EXAMINER CATANACH OIL CONDEMNATION
<b>SF SNYDER</b> EXHIBIT NO. <u>11</u>
CASE NO. <u>12449</u>

Re: Proposed 13,700' Morrow Test  
Paloma Blanco "18" Fed COM #1 Well  
1,980' FNL & 660' FEL  
E/2 Section 18, T-23-S, R-34-E  
Lea County, New Mexico  
PALOMA BLANCO PROSPECT - NM0964

Gentlemen:

Reference is made to all recent correspondence between Santa Fe Snyder Corporation (Santa Fe) and Southwestern Energy Production Company (SWN) concerning the drilling of a Morrow test on the referenced lands, in particular your most recent letter dated April 6, 2000.

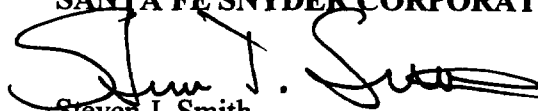
We at Santa Fe very much appreciate your expression of interest in participating in Santa Fe's proposed Paloma Blanco "18" Fed COM #1 well. Unfortunately your condition for participation (requiring that Santa Fe spud the well on or before June 20, 2000 or turn over operations to SWN) is unworkable in light of the diverse ownership within Section 18. We just recently received a preliminary title opinion covering the E/2 of Section 18 which showed the ownership to be much more diverse than originally indicated. While it is Santa Fe's desire to drill this prospect as soon as possible, with the mineral and leasehold ownership as diverse as it is, there are simply too many variables that could prevent spudding a well by June 20, 2000.

We hope that you will understand and look forward to receiving SWN's unconditional expression of interest in participation in the referenced well.

If there are any questions, please feel free to contact the undersigned at (915) 686-6712.

Sincerely,

**SANTA FE SNYDER CORPORATION**

  
Steven J. Smith  
Senior Staff Landman

PalomaBlanco18-1b10.doc

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

Consult postmaster for fee.

**3. Article Addressed to:**

ATTN: SAMUEL G. THOMPSON  
SOUTHWESTERN ENERGY PROD. CO.  
2320 N. SAM HOUSTON PKWY. E.  
SUITE 300  
HOUSTON TX 77032

**4a. Article Number**

Z 558 008 615

**4b. Service Type**

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

**7. Date of Delivery**

7-7-95

**5. Received By: (Print Name)**

AK Benson

**6. Signature (Addressee or Agent)**

AK Benson

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

PS Form 3811, December 1994

102595-98-8-0229

Domestic Return Receipt

Thank you for using Return Receipt Service

Z 558 008 615

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Southwestern Energy Prod. Co.	
Street & Number	
2320 N. Sam Houston Pkwy. E.	
Post Office, State, & ZIP Code	
Suite 300	
Houston, Texas 77032	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
1 Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

CONFIRMATION REPORT - MEMORY SEND

Time : APR-13-00 12:41  
Fax number: 9156866714  
Name : SANTA FE SNYDER CORPORATION

Job : 752  
Date : APR-13 12:39  
To : 912816184757  
Doc. pages : 02  
Start time : APR-13 12:39  
End time : APR-13 12:40  
Pages sent : 02

Job:752

\*\*\* SEND SUCCESSFUL \*\*\*



**Santa Fe Snyder Corporation**  
550 West Texas Avenue, Suite 1330  
Midland, Texas 79701  
915-687-3551  
FAX 915-686-6714

**Fax Cover Sheet**

Date:

4/13/2000

To:

Scott Thompson - SW Energy

Fax:

(281) 618-4757

From:

Steve Smith

RE:

Paloma Blanco "H" 7C #1

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED, AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, and return the original message to us at the above address via U.S. Postal Service. Thank you.

Number of Pages Sent 2 (including cover sheet)

Please call E. Dick (915) 686-6627 if all pages not received

Fax Cover Sheet