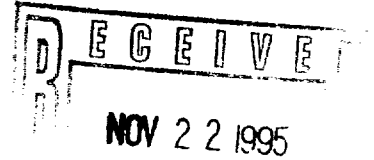




NEW MEXICO POTASH
C O R P O R A T I O N

November 10, 1995



State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: William J. Lemay, Chairman

RE: Applications for Permit to Drill, APDs;

Stevens & Tull, Inc.
BF State #4
330' FNL & 330' FEL
Sec. 16, T20S, R33E, NMPM
Lea County, New Mexico

Stevens & Tull, Inc.
Conoco State #1
990' FNL & 990' FWL
Sec. 16, T20S, R33E, NMPM
Lea County, New Mexico


Dear Mr. Lemay:

New Mexico Potash Corporation has been contacted by Stevens & Tull, Inc., an oil and gas producing company, regarding two applications to drill oil and/or gas wells at the two locations referenced above.

It is noted that this area is within the Known Potash Area "KPA" as designated by OCD Order R-111-P and is within the New Mexico Potash Corporation Life of Mine designation "LMR" as filed in accordance with the provisions set forth in OCD Order R-111-P. Due to the proximity of our mining operations and future plans to mine potash reserves in this area, New Mexico Potash Corporation, Hobbs Potash Facility, formally objects to these drilling locations.

Please contact me if you have any additional questions.

Sincerely,
New Mexico Potash Corporation



Tim Woomer
Chief Mine Engineer

copies: File
Mr. Jerry A. Weant, CPL, Stevens & Tull, Inc.

RECEIVED OCT 12 1995

RECEIVED FEB 28 1994

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. ✓ Stevens & Tull, Inc. P. O. Box 11005 Midland, Texas 79702		OGRID Number 021602
		API Number 30-025-33144
Property Code 15594	Property Name State BF	Well No. 4

Surface Location

POTASH AREA

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
A	16	20S	33E		330	North	330	East	Lea

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
A	16	20S	33E		330	North	330	East	Lea

Proposed Pool 1 West Teas Y-SR	Proposed Pool 2
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Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Gross Level Elevation 3552
Multiple NO	Proposed Depth 3600	Formations Seven Rivers	Contractor Unknown	Spud Date 11/1/95

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	9 5/8	36	1100	625	Surface
8 3/4	5 1/2	15.50	3600	600	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

R-10432

- 1) Drill 12 1/4" hole to 1100'.
- 2) Cement 9 5/8" csg @ 1100'. Circulate cement to surface. Let cement stand 12 hrs under pressure plus 12 hrs during NU.
- 3) Drill 8 3/4" hole to TD of 3600'. If we encounter water flow at +/- 2000' set 7"-20# csg to isolate. Cement to surface.
- 4) Set either 5 1/2" (if no waterflow) or 4 1/2" (if waterflow) at TD of 3600'. If 5 1/2" circulate cement to surface. If 4 1/2" use 100 SX. (6 1/4" hole).

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Michael G. Mooney*
Printed name: Michael G. Mooney
Title: Engineer
Date: 9/26/95
Phone: 915/699-1410

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR
Title:
Approval Date: OCT 11 1995 Expiration Date:
Conditions of Approval:
Attached

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

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State of New Mexico
Energy, Minerals & Natural Resources Department

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OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: Stevens & Tull, Inc. P. O. Box 11005 Midland, Texas 79702		OGRID Number 021602
		API Number 30 - 0
Property Code	Property Name Conoco State	Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
D	16	20S	33E		990	North	990	West	Lea

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
D	16	20S	33E		990	North	990	West	Lea

Proposed Pool 1 West Teas Y-SR	Proposed Pool 2
-----------------------------------	-----------------

Work Type Code N	Well Type Code 0	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3532
Multiple No	Proposed Depth 3600	Formation Seven Rivers	Contractor Unknown	Spud Date 1/10/96

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	9 5/8	36	1100	625	Surface
8 3/4	5 1/2	15.50	3600	600	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

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I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Michael G. Mooney*

Printed name: Michael G. Mooney

Title: Engineer

Date: 10/31/95

Phone: 915/699-1410

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached