

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOROIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY

CABINET SECRETARY

DATE 6 / 17 / 97

RECEIVED

Bureau of Land Management
620 E. Greene St.
Carlsbad, N.M. 88220-6292State Land Office
P. O. Box 1148
Santa Fe, N.M. 87405

JUN 19 1997

OIL CON. DIV.

Attn: Craig Cranston

Attn: Joe Mraz/Larry Kehoe DIST. 2

Re: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR Santa Energy Resources, Inc.LEASE NAME Spud "Z1" #1LOCATION: SEC. 21 TWP. 23 RGE. 29
FOOTAGE 660 FNL : 330 FELPROPOSED DEPTH 8200

Gentleman:

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R-111-P, please advise this office whether or not this location is within an established Life-of-Mine-Reserve area filed with and approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Thank you for your assistance.

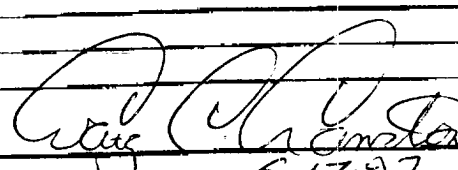
Sincerely,


Bryan G. Arant
District Geologist, District IIIN LMR
IN BUFFER ZONEYES _____
YES _____NO X
NO X

COMMENTS:

SIGNATURE

DATE

 BLM
6-17-97