

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. Santa Fe Snyder Corp. 550 W. Texas, Suite 1330 Midland, TX 79701		GRID Number 20305
Property Code 25233		API Number 30-025-34855
Property Name Paloma Blanco "18" Com		Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	18	23-S	34-E		1980	North	660	East	Lea

Proposed 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
Proposed Pool 1 Bell Lake Morrow, N.					Proposed Pool 2				

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code Fee	Ground Level Elevation 3487
Multiple No	Proposed Depth 14000	Formation Morrow	Contractor to be determined	Spud Date 1-25-00

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48.0	650'	550	Surface
12 1/4"	9 5/8"	40.0	5000'	1450	Surface
8 3/4"	7"	26.0	11800'	800	6000'
6 1/8"	4 1/2"	13.5	14000'	250	Circ to liner top

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.

Rig up rotary tools. Set 13 3/8" casing @ 650' WOC 12 hrs, NU annular BOP, test casing and BOP to 700 psi. Set 9 5/8" casing @ 5000'. WOC 12 hrs and NU 11" 5M double ram BOP with annular. Test casing and BOP's to 1500 psi. Set 7" casing at 11800'. Install 7 1/16" 10M triple ram BOP's with annular and rotating head. Test BOP stack and choke manifold to 10,000 psi. Test casing to 3000 psi. Drill to a TD of 14,000'. Run logs and evaluate for completion or P & A.

Permit Expires 1 Year From Approval Date Unless Drilling Underway

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

Signature: *James P. Phil Stinson*
 Printed name: James P. "Phil" Stinson

Title: Agent for Santa Fe Snyder Corp.

Date: 1-10-00
 Phone: 915-682-6373

OIL CONSERVATION DIVISION

Approved by: _____
 Title: _____

Approval Date: JAN 10 2000
 Expiration Date: _____

Conditions of Approval:
 Attached

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2068, SANTA FE, N.M. 87504-2068

OIL CONSERVATION DIVISION

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34855	Pool Code 71920	Pool Name Bell Lake Morrow, N.
Property Code 25233	Property Name PALOMA BLANCO 18 FED. COM.	Well Number 1
OGRID No. 20305	Operator Name SANTA FE SNYDER CORPORATION	Elevation 3487

Surface Location

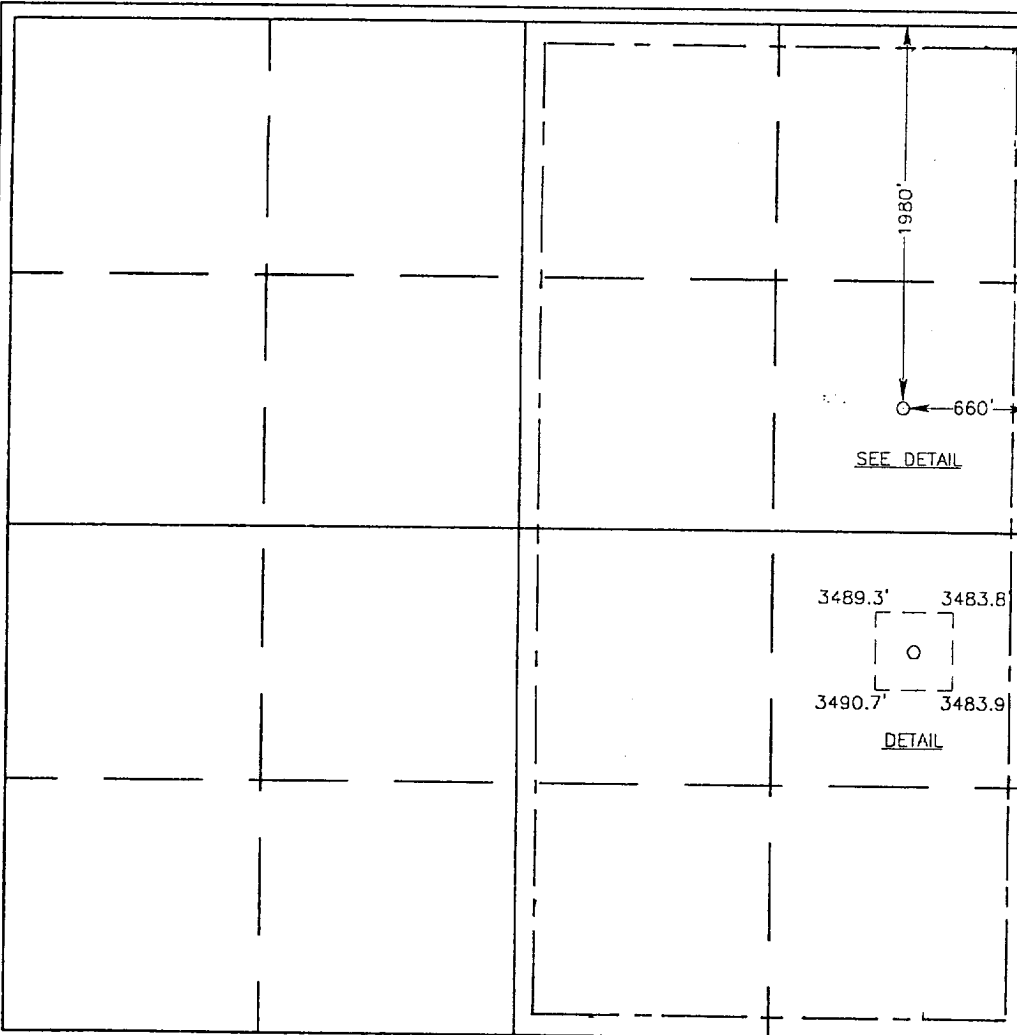
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	18	23 S	34 E		1980	NORTH	660	EAST	LEA

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.
320			

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



<h3>OPERATOR CERTIFICATION</h3> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>James P. Phil Stinson</i> Signature</p> <p>James P. "Phil" Stinson Printed Name</p> <p>Agent Santa Fe Snyder Corp. Title</p> <p>1-7-00 Date</p>	
<h3>SURVEYOR CERTIFICATION</h3> <p>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.</p> <p>NOVEMBER 30, 1999 Date Surveyed</p> <p><i>Ronald E. Edson</i> Signature and Seal of Professional Surveyor</p> <p>RONALD E. EDSON REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 8289 11-30-99 89-11-102</p> <p>Certificate No. RONALD E. EDSON 3239 GARY EDSON 12641 MAGNUS McDONALD 12185</p>	

PROPOSED 10-M BOPE AND CHOKE ARRANGEMENT

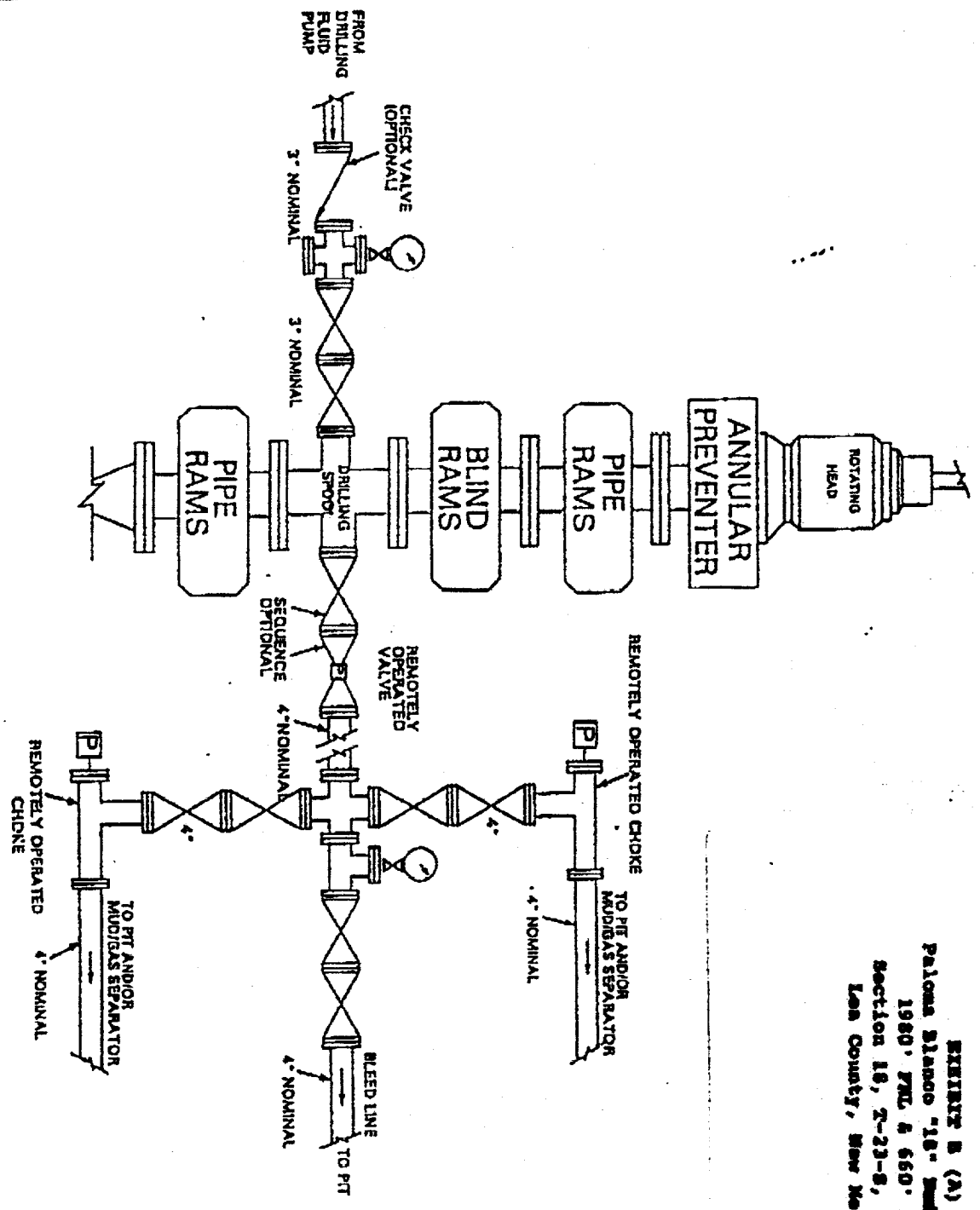
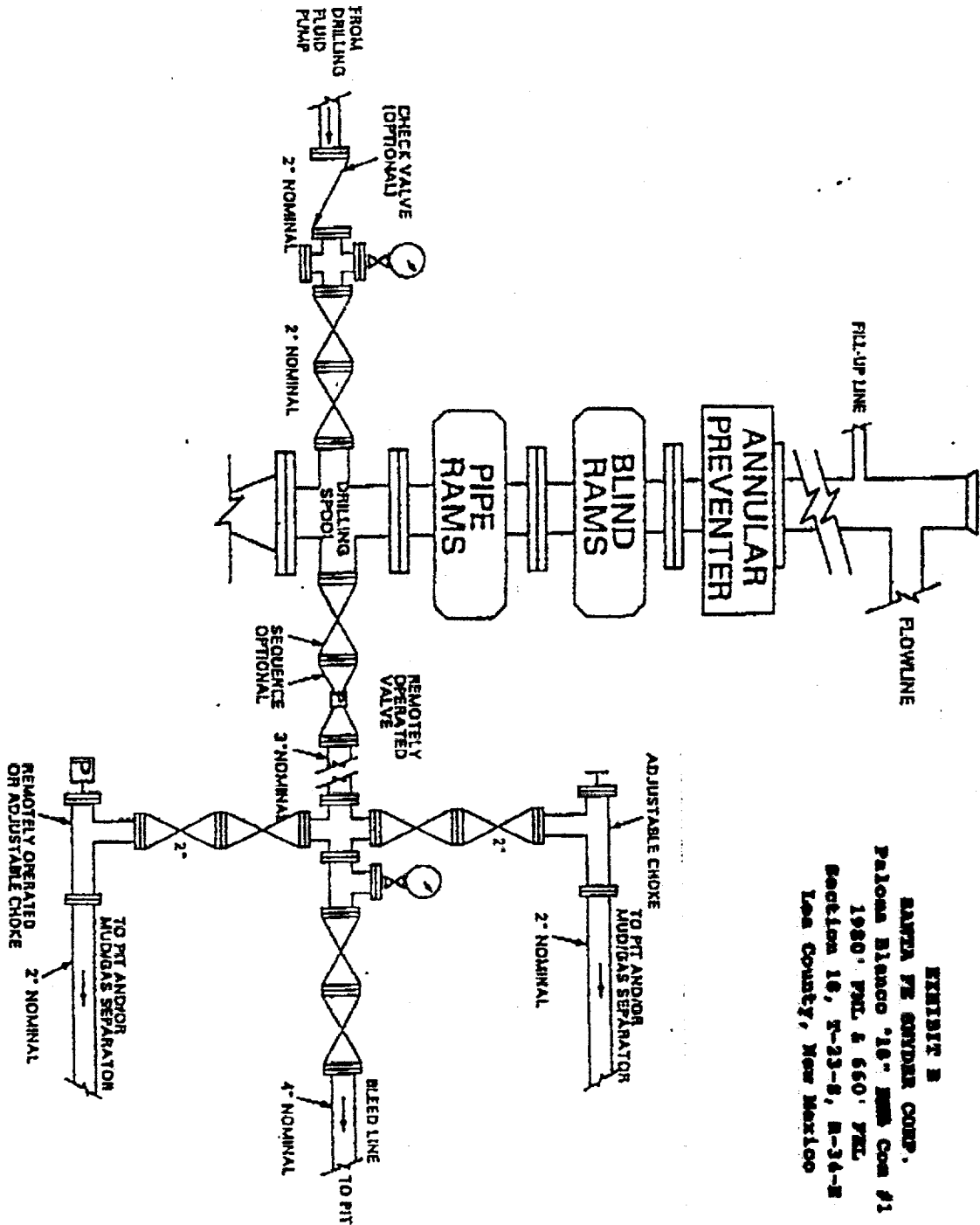


EXHIBIT B (A)
 Paloma Blasco "18" Sand Core #1
 1980' PUL & 650' PUL
 Section 18, T-23-S, R-34-E
 San County, New Mexico

PROPOSED 5-M BOPE AND CHOKE ARRANGEMENT



REVISION B
 SAWYER FIRE GARDNER CORP.
 Paloma Blanco "16" MM Co. #1
 1980' PNL & 660' PNL
 Section 16, T-23-S, N-34-E
 Lea County, New Mexico