

Santa Fe Energy Operating Partners. L.P.

Santa Fe Pacific Exploration Company
Managing General Partner
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

November 22, 1988

Petro-Atlas Corporation
999 18th Street
Suite 2908
Denver, Colorado 80202

ATTN: James Harden

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

70
across
D/U
Santa Fe EXHIBIT NO. 2

CASE NO. 9563, 9564 + 9565

Re: Shinnery "14" Fed #2 Well
330' FSL and 660' FEL
Shinnery "14" Fed #3 Well
1980' FSL and 1980' FEL
Shinnery "14" Fed #4 Well
1980' FSL and 660' FEL
All in Sec. 14, T-18-S, R-32-E,
Lea County, New Mexico

Gentlemen:

Santa Fe Energy Operating Partners, L.P. hereby proposes the drilling of the three (3) referenced wells to be drilled as 10,200' Bone Springs test at a legal location in the appropriate 40 acre quarter sections to be allocated to these wells. Estimated costs for drilling each well is \$344,315.00 Dry Hole and \$758,562.00 completed.

Santa Fe invites you to join us in the drilling of these wells, and in this regard we have enclosed two (2) Cost Estimates (AFES). Should you choose to join in the drilling of these tests, please execute and return one copy of the AFE to the undersigned.

If you are not interested in drilling any of these tests, we would request that you farmout your interest in the applicable proration unit, delivering a 75% NRI with the option to convert any retained ORRI to a proportionate 25% WI at Payout of the well. All interests to be proportionately reduced to your interest in the lease and proration unit.

Once you have made your elections concerning each of these tests, the appropriate contracts will be forwarded for your execution.

Due to the considerable time required to secure commitments in the Shinnery "14" Fed #1, Santa Fe is in the process of filing for a Compulsory Pooling Action on each of the above wells at the Oil Conservation Division (OCD) for the State of New Mexico with the hearing date set for December 21, 1988. Therefore your immediate response to this proposal will be most appreciated. Also enclosed please find a copy of the Application to be filed with the OCD.

Permian Basin District
500 W. Illinois
Suite 500
Midland, Texas 79701
915/687-3551

Page 2
Petro-Atlas Corporation
November 22, 1988

Should you have any questions regarding these wells, please feel free to call.

Sincerely yours,

SANTA FE ENERGY OPERATING PARTNERS, L.P.
By: Santa Fe Pacific Exploration Company,
Managing General Partner

By:


Patrick J. Tower, Senior Landman

PJT/efw
Encls a/s

EFW842-1

Santa Fe Energy Operating Partners, L.P.

Santa Fe Pacific Exploration Company
Managing General Partner
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

November 22, 1988

C. Daniel Walker
& Wife, Jo Ann Walker
P.O. Box 12508
Ft. Worth, Texas 76116

*equally
%
average
D/U*

Re: Shinnery "14" Fed #2 Well
330' FSL and 660' FEL
Shinnery "14" Fed #3 Well
1980' FSL and 1980' FEL
Shinnery "14" Fed #4 Well
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Dear Mr. Walker:

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November 22, 1988

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By: Santa Fe Pacific Exploration Company,
Managing General Partner

By:


Patrick J. Tower, Senior Landman

PJT/efw
Encis a/s

EFW842-2

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE USE \$300

RETURN
TO



Print Sender's name, address, and ZIP Code in the space below.

Patrick J. Tower - Santa Fe Energy Company

Shinnery Well
Proposals (3)

500 West Illinois, 5th Floor

Midland, Texas 79701



UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address and ZIP Code in the space below.

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- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE USE \$300

RETURN
TO



Print Sender's name, address, and ZIP Code in the space below.

Patrick J. Tower - Santa Fe Energy Company

Shinnery Fed Wells
(3)

500 West Illinois, 5th Floor

Midland, Texas 79701



ILLEGIBLE

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
 Petro-Atlas Corp.
 999 18th Street
 Suite 2908
 Denver, Colorado 80202
 ATTN: James Harden

4. Article Number
 P 911 636 932

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and **DATE DELIVERED**.

5. Signature — Address
 X *[Signature]*

6. Signature — Agent
 X *[Signature]*

7. Date of Delivery
 1/28/85

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1983 U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
 Daniel Walker
 Wife, William Walker
 P.O. Box 1008
 Rt. 1 North, State 10115

4. Article Number
 P 911 636 933

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and **DATE DELIVERED**.

5. Signature — Address
 X *[Signature]*

6. Signature — Agent
 X *[Signature]*

7. Date of Delivery
 1/28/85

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1983 U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

LLEGIBLE

Ex 2