Submit to Appropriate District Office State Lease — 6 copies
Fee Lease — 5 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-101 Revised 1-1-89

FEE

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

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OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088 API NO. (assigned by OCD on New Wells) 30-025-31950

5. Indicate Type of Lease STATE X

1000 Rio Brazos Rd., Azte	c, NM 87410			6. State Oil & Gas Lease	No.			
APPLICAT	TION FOR PERMIT	TO DRILL, DEEPEN, (OR BILLG BACK	L-6691				
la. Type of Work:	TION TOTAL ELIMINA	TO DRILL, DEEPEN, (OH PLUG BACK	7 1 2000 1100 1100				
DRIL	L X RE-ENTER	DEEPEN	PLUG BACK	7. Lease Name or Unit A	greement Name			
b. Type of Well:	_	SINGLE	MULTIPLE _					
OIL WELL GAS	OTHER	ZONE	20NE	State "HH'	'(Delaware)			
2. Name of Operator				8. Well No.				
	ion Oil Company	of California		12				
3. Address of Operator				9. Pool name or Wildcat				
P.	0. Box 671 - M	idland, TX 79702		Geronimo	(Delaware)			
4. Well Location Unit Letter	H : 1980 Feet F	rom The north	Line and 35	O Feet From The	east Line			
Section 36	Town	hip 19–S Ra	32-E	NMPM Lea	County			
		10. Proposed Depth	-	l. Formation	12. Rotary or C.T.			
12 Florence (St.		~~~	3000'	Delaware	Rotary			
13. Elevations (Show wheth 3571.	2' GR	4. Kind & Status Plug. Bood Blanket	15. Drilling Contract Unknow		Date Work will start ASAP			
17. PROPOSED CASING AND CEMENT PROGRAM								
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT			EST. TOP			
17 1/2"	13 3/8"	48#	450'	400	Surface			
12 1/4"	8 5/8"	32#	2900 '	1100	Surface			
7 7/8"	5 1/2"	17#	80001	1300	2000!			

3000# Hydraulic BOP's from surface to T.D.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE, GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.					
	emation above is true and complete to the best of my knowledge.	and belief. TITLE Drilling Clerk	DATE 4-14-93		
TYPE OR FRINT NAME	Charlotte Beeson		915 TELEPHONE NO. 685–7607		
(Thus space for State Use)	CHGANAL SERVED DV DUBY SAY OM		APR 2.7 1999		
APPROVED BY		mle	DATE		

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

WELL LOCATION AND ACREAGE DEDICATION PLAT

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section

Operator UNIO	N OIL COMPAN	Y OF CALIFORNIA	Lease	STATE H.H.	DELAWARE		Well No.
Unit Letter	Section	Township	Range			County	
	1		icange.	70 FACT		Councy	1 A
H	36	19 SOUTH		32 EAST	NMPM		<u>LEA</u>
Actual Footage Lo			750			=.0	_
1980 _{fe}	966 17044 446	ORTH line and	350		feet from	the EAS	
Ground Level Ele	1	_	Pool		l \		Dedicated Acreage:
3571.21	De	elaware	Ger	conimo (De	Laware)		40 Acres
1. Outline the	acreage dedicated to	the subject well by colored	i pencil or had	chure marks on	the plat below	·.	
2. If more than	n one lease is dedi	cated to the well, outline ea	ich and identif	y the ownership	thereof (both	as to working	ng interest and royalty).
unitization,	force-pooling, etc.				t of all owners	s been consol	idated by communitization,
Yes	No k	If answer is "yes" type	of consolidat	tion			
this form neces	ssary	and tract descriptions which					
		o the well unit all intercard unit, eliminating such					nitization, forced-pooling.
1329	9.2'			<u> </u>		OPERAT	OR CERTIFICATION
	/ -				T I I	I hen	by certify the the information
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	1			1		best of my kn	owiedge and belief.
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	1					Signature	14 0
					980	<u> </u>	lotte Beeson
	ì			ì	o	Printed Nam	ae .
-	1	Ì		<u> </u>		Charl	otte Beeson
F				7		Position	
İ		1				Drill	ing Clerk
	1					Company	
]	i				* []	Union	Oil Co. of Calif.
1	!	l l		350		Date	
•	İ		•	· P	4	4-14-	93
	1			1	•		
		i		1	4	SURVEY	OR CERTIFICATION
	i			<u> </u>			
						I hereby certi	fy that the well location shown
	l	1				-	vas plotted from field notes of
-	!	1		1		-	made by me or under my
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							PARY & MES. 7917
ò 33 t 0 660	0 990 1320 165	0 1980 2310 2640	2000 1500	1000	500 0		CARD HAT DE 24

Unocal Energy Resources Division

Unocal Corporation 1004 North Big Spring, Suite 300 P.O. Box 3100 Midland, Texas 79702 Telephone (915) 685-7600

UNOCAL®

March 26, 1993

Permian Basin Business Unit

Horizon Potash Corporation Box 279 Carlsbad, New Mexico 88221

Attn: Mr. Larry Randlett Chief Mining Engineer

RE: Proposed Drilling Operations

Township 19 South, Range 32 East
SE/4NE/4 Section 36

SE/4NE/4 Section 36 Lea County, New Mexico

Dear Mr. Randlett:

In accordance with our meeting of March 25, 1993 in your office and to comply with NMOCD Order No. R-111-P, you are hereby notified that Union Oil Company of California proposes to drill a well approximately 8,000 feet to a depth sufficient to test the Delaware formation or shallower at the following location:

1980' FNL and 350' FEL Section 36-19S-32E

If you are in agreement with the above, please indicate your acceptance in the space provided below and return same to me for our files and further handling with the necessary agencies.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

dba UNOCAL

Mike Nixson SPB Landman

MAN/jb CERTIFIED MAIL

AGREED TO AND ACCEPTED THIS 15T DAY OF HORIC, 1993.

HORIZON POTASH CORPORATION

By: José — Y

following services (for an extra cefee): 1. Addresse's Addresse's Addresse (extra cefee):	ိ ပိ	4e. Article Number P 429 453 778 P 4 2 9 4 5 9 7 8 P 4 5 9 5 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	Ab. Service Tolk Insured R. K. Certified Co. Co. Co. Co. Co. Co. Co. Co. Co. Co.	` a ≧	8. Addresses's Address (Only if requested is and fee is paid)	
SENDER: 4 • Complete Items 1 and/or 2 for additional services. • Complete Items 3, and 4s & b. • Print your name and additions on the reverse of this form so thet we can be return this card to you. • Attach this form to the front of the malipiace, or on the back if space.	obes not permit. • Write "Return Receipt Requested" on the maliplece below the article number of Return Receipt will show to whom the article was delivered and the date delivered.	diseased to:	B. Carrier T. Carrier		principal (Addressee)	Signatury Agents

T 19 S R 32 E					
UNLEASED 26	UNLEASED 25	UNLEASED 30			
US	US	US			
HORIZON POTASH CORP. 35	HORIZON POTASH CORP. 12-HH O 36 3-HH O	HORIZON POTASH CORP. 31			
HORIZON POTASH CORP. 2	HORIZON POTASH CORP. 1	HORIZON POTASH CORP.			

* HORIZON POTASH CORP. HAS OPTION FROM NORANDA EXPLORATION TO DEVELOPE POTASH