

BLM approves federal wells in potash area so we do not have to worry about this.

STATE & FEE LEASES

Post to map and if within the potash area outlined on map or within 1 mile of that area do the following:

- 1) Make certain operator has filed a plat of the area showing the potash lessees for the area where the well is located as well as the 1-mile radius referred to.
- 2) Make certain operator has notified all of the potash lessees by certified mail of the APD. They must send copy of delivery notice to us since 20-day waiting period starts from delivery date.
- 3) Send letter to BLM and SLO advising them of this APD and request they advise if this location is within LMR or buffer zone.

 BUFFER ZONE -- shallow well is 1/4 mile of LMR
 -- deep well is 1/2 mile of LMR
- 4) If application is within LMR or buffer zone you must DENY it under R-111-P unless, there is a mutual agreement of lessor and lessees of oil & gas and potash interests. Copy of this agreement must be submitted with APD.
- 5) If application is outside LMR or buffer zone and no objection is received within 20 days from date of receipt by potash lessees of certified notice, the APD may be approved.

CHECK LIST FOR PROCESSING APD IN POTASH AREA

OPERATOR: Santa Fe Energy Resources Inc

LEASE & WELL Spessartine 28 State #1-0

660/S & 1980/E

LOCATION Sec. 28, T-21s, R-33e PROPOSED DEPTH 15000'

DATE APD RECEIVED May 26, 1995 WAS PLAT OF AREA ATTACHED yes June 15, 1995

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? yes

20-DAY WAITING PERIOD BEGINS June 15, 1995 ENDS _____

WERE WAIVERS RECEIVED? yes

DATE SLO NOTIFIED June 15, 1995 DATE REPLY RECEIVED 6/23/95

DATE BLM NOTIFIED June 15, 1995 DATE REPLY RECEIVED 6/23/95

IS LOCATION INSIDE LMR OR BUFFER ZONE? YES _____ NO ✓

IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED _____

DATE APD APPROVED 8/1/95 DATE APD DENIED _____



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

June 15, 1995

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

BUREAU OF LAND MANAGEMENT
P.O. Box 1778
Carlsbad, NM 88221

STATE LAND OFFICE
Attn: ~~Ernie Szabo~~ Joe MRAZ
P.O. Box 1148
Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR Santa Fe Energy Resources Inc

LEASE NAME Spessartine 28 State #1-0

PROPOSED LOCATION 660/S & 1980/E Sec.28, T-21s, R-33e

PROPOSED DEPTH 15000'

Gentlemen:

The application for permit to drill identified above has been filled 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 the 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. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

RECEIVED

JUN 23 1995
OCD HOBBS
OFFICE

JRM
6-19-95

RESPONSE:

The above-referenced location is in LMR ----- Yes ☐ No ☒

The above-referenced location is within the buffer zone----- Yes ☐ No ☒

Signed Jami Bailey
Jami Bailey, Deputy Director
Representing Oil, Gas & Minerals Division
NM State Land Office

Date June 19, 1995



1. *Journal of the American Medical Association*, 1997; 277: 1001-1005.

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79M14 49

SECRET

1953



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

June 15, 1995

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

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Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

RECEIVED

JUN 23 1995

OIL CONSERVATION
OFFICE

RESPONSE:

The above-referenced location is in LMR ----- Yes ☐ No ☒

The above-referenced location is within the buffer zone----- Yes ☐ No ☒

Signed GARY WILLIAMS

Date 6-22-95

Representing BUREAU OF LAND MANAGEMENT





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

May 30, 1995

Santa Fe Energy Resources Inc
ATT: James P Stinson
550 W Texas, Suite 1330
Midland, TX 79701

RE: Application to Drill
Potash Area

Gentlemen:

We have received your applications to drill the wells listed below:

Spessartine 27 State	#1-L	Sec.27, T-21s, R-33e
Spessartine 28 State	#1-O	Sec.28, T-21s, R-33e

The area that you have dedicated for the location of these wells is in the Potash area, which requires addition paper work according to order R-111-P.

Rec 8/16/95 <1> Casing program - Surface casing to be set at the top of Rustler formation.
Intermediate casing needs the cement circulated to the surface.
Rec 7/15/95 <2> A plat - Of the area showing the Potash lessees.
<3> A copy - Certified that the Potash Lessees have been notified.

After we receive the copy that the Potash lessees have been notified a 20 day waiting period begins.

If you have any questions on this matter, please call the District I Hobbs office (505) 393-6161.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton

Jerry Sexton
District I, Supervisor

by dp

JS:dp
cc;file

Mike Stogner, Santa Fe

Santa Fe Energy Resources, Inc.

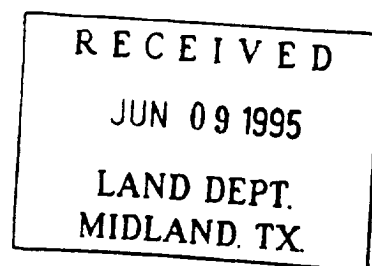
**FAX/
CERTIFIED/RETURN RECEIPT**

June 6, 1995

Eddy Potash Company, Inc.
P.O. Box 31
Carlsbad, NM 88220

Attention: Mr. Robert Kirby

Re: T-21-S, R-33-E
Section 28: E/2
Lea County, New Mexico



Gentlemen:

Santa Fe Energy Resources, Inc. (Santa Fe) has filed an APD for a well located in the above captioned lands. The well is to be located 660' FSL and 1980' FEL of the referenced section.

Santa Fe requests that Eddy Potash Company, Inc. waive objections to the proposed location. If you are in agreement with this request, please sign one copy of this letter in the space provided below and return it to me at the address below.

If you have any questions or need additional information, please call me at 915/686-6712.

Yours very truly,

SANTA FE ENERGY RESOURCES, INC.

By: Danita R. Walker
Danita R. Walker, CPL
Landman

DRW:ms

RECEIVED
JUL 1 1945
U.S. AIR FORCE
OFFICE

June 6, 1995
Eddy Potash Company, Inc.
Page 2

AGREED TO AND ACCEPTED this 8 day of June, 1995.

EDDY POTASH COMPANY, INC.

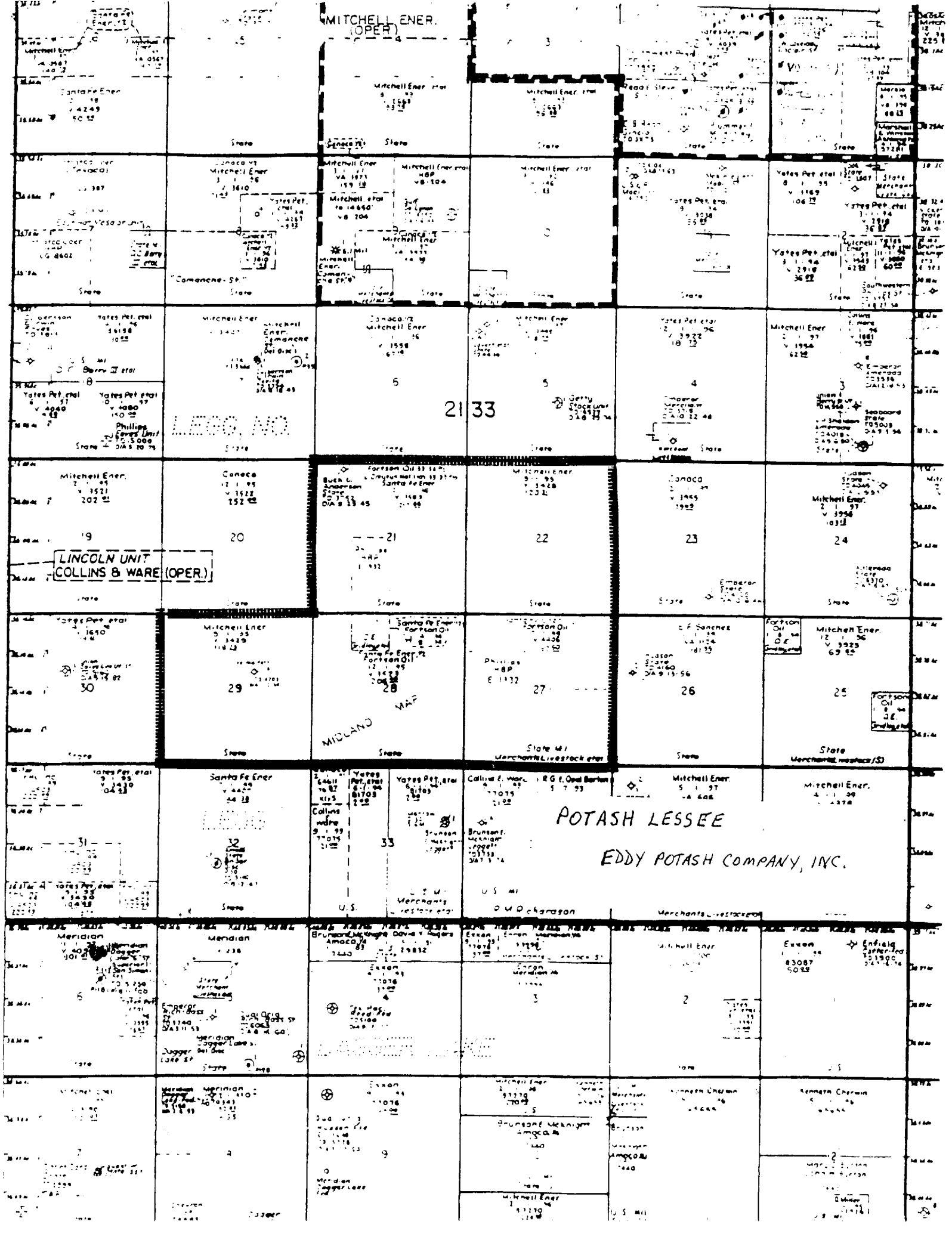
By: Robert F. Kirby

Printed Name: ROBERT F. KIRBY

Title: MINES MANAGER

APPENDIX

1995
TOSON
OFFICE



MITCHELL ENER.
(OPER)

L. LEGG, NO.

LINCOLN UNIT
COLLINS & WARE (OPER.)

POTASH LESSEE
EDDY POTASH COMPANY, INC.

13/12/2

RECEIVED
JUL 15 1995
U.S. HOUSE
OFFICE