

EXHIBIT C
DRILLING FLUID PROGRAM
Santa Fe Energy Operating Partners, L.P.
James Ranch No. 56
Section 17, T-23-S,R-31-E
Eddy County, New Mexico

0-600'

Spud mud consisting of fresh water gel flocculated with lime. Use ground paper for seepage control and to sweep the hole. MW-8.5 ppg and Vis-40.

600'-4200'

Drill out with brine water circulating the inner portion of the reserve pit. Utilize ground paper mixed in prehydrated fresh gel to sweep the hole. MW-10.0 ppg and Vis-28.

4200'-8100'

Drill out with cut brine (30,000 ppm chlorides minimum) circulating the outer portion of the reserve pit. Maintain pH at 8.5-9.5 with caustic and sweep the hole as necessary with ground paper. If it becomes necessary to mud up due to hole conditions, utilize a cut brine/Drispac system for 15-20 WL and a Vis of 30-32. MW-8.5/8.9 ppg.