

UNITED STATES
DEPARTMENT OF THE INTERIORBUREAU OF LAND MANAGEMENT *ACM 12-5-96*

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐*RESUBMISSION*

b. TYPE OF WELL

OIL WELL ☒GAS WELL ☐

OTHER

SINGLE ZONE ☒MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Santa Fe Energy Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

550 W. Texas, Suite 1330; Midland, Texas 79701

FEB 13 1997
(915) 682-6373

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

(G) 1980' FNL & 1980' FEL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles east of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any)

1980'

16. NO. OF ACRES IN LEASE

1200

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

990'

19. PROPOSED DEPTH

8200' 8100' CD

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3357' GR

22. APPROX. DATE WORK WILL START*

January 30, 1997

23. *SECTION 1001 CRASH*

PROPOSED CASING AND CEMENTING PROGRAM

CARSDEN CONTROLLED WATER BASIN

| SIZE OF HOLE | GRADE SIZE OF CASINO | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------|-----------------|----------------|----------------------|
| 17 1/2" | 13 3/8" | 48.0 | 400' | 400 sx to circulate |
| 11" | 8 5/8" | 32.0 | 4100' | 1200 sx to circulate |
| 7 7/8" | 5 1/2" | 15.5 & 17.0 | 8200' 8100' CD | To tie back to 3900' |

We propose to drill to a depth sufficient to test the Delaware formation for oil. If productive, 5 1/2" casing will be run to TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order No. 1 are outlined in the following attachments:

Drilling Program

Exhibit A - Operations Plan

Exhibit B - BOP and Choke Manifold

Exhibit C - Drilling Fluid Program

Exhibit D - Auxiliary Equipment

Exhibit E - Topo Map of Location

Exhibit F - Map Showing Existing Wells

Exhibit G - Well Site Layout

Surface Use and Operations Plan

This application was previously approved January 6, 1994.

Santa Fe Energy Resources, Inc. accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Bond Coverage: Blanket Bond

BLM Bond File No.: MT 0750

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

James P. Phil Stinson

TITLE Agent for Santa Fe Energy

DATE 12-4-96

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

5/6/16 J. L. Looke

TITLE

Associate STATE Director

DATE

2-2-97

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.