



Notes

UNIT
DEPARTMENT
BUREAU OF

POOL CODE

NO 88240

Expires: February 28, 1995

APPLICATION FOR P

EFF DATE

11/14/96

APRNO

3D-025-33682

1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

UCI

96

B. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
TUBES ☒MULTIPLE
TUBES ☐

2. NAME OF OPERATOR

Santa Fe Energy Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

550 W. Texas, Suite 1330; Midland, Texas 79701 (915) 682-6373

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

(K) 1650' PSL & 1650' FWL

At proposed prod. zone

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

20 miles west of Jal, New Mexico

15. DISTANCE FROM PROPOSED

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

990'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED

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

NA

19. PROPOSED DEPTH

13600'

20. ROTARY OR CABLE TOOLS

Rotary

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

3426' GR

22. APPROX. DATE WORK WILL START

October 25, 1996

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	K-40 13 3/8"	48.0	800'	850 sx to circulate
12 1/4"	K-55 9 5/8"	40.0	5000'	1550 sx to circulate
8 3/4"	B-95 & P-110 7"	26.0	11800'	800 sx to TOC & 6000'
6 1/8"	B-95 4 1/2"	13.5	13600'	225 sx (circ to liner top)

WITNESS

WITNESS

We propose to drill to a depth sufficient to test the Morrow formation for gas. If productive, a 4 1/2" liner 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 Schematic 5-M

Exhibit B(A) - BOP and Choke Schematic 10-M

Exhibit C - Drilling Fluid Program

Exhibit D - Auxiliary Equipment

Exhibit E - Topo Map at Location

Exhibit F - Map Showing Existing Wells

Exhibit F (A) - Plat of Location

Exhibit G - Well Site Layout

Surface Use and Operations Plan

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 J. [Signature]

Agent for Santa Fe Energy

DATE 9-30-96

(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:

(ORIG. SGD.) TONY L. FERGUSON

APPROVED BY

TITLE

ADM, MINERALS

DATE

11-12-96

*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.

EXHIBIT

4

OPERATOR'S COPY

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

APR 3 1 25 PM '97

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

BUREAU OF LAND MGMT
HOBBS, NM

SUBMIT IN TRIPLICATE

RECEIVED

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Santa Fe Energy

3. Address and Telephone No.

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 29, T22S, R34E

1650' FSL, 1650' FWL

JUN 1 8 1997

LAND DEPT.
MIDLAND, TX

5. Lease Designation and Serial No.

Gaucha

Well Name and No.

Gaucha Unit No. 2

API Well No.

6. Field and Pool, or Exploratory Area

NORTH BELL LAKE - MORE

11. County or Parish, State

LEH, New Mexico

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other MOVE LOCATION
☒ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

Note: Report results of multiple completion or Well Completion or Recompletion Report and Log form.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The subject well spud at this location on 3/4/97. On 3/24/97 while drilling at 3783' circulation was lost and the drill string became stuck in the well. Fishing operations commenced and proceeded with the recovery of part of the drill string on 3/28/97. Attempts to recover the remainder of the drill string continued until the morning of 3/30/97 when the drill string became stuck at 850'± with the bit at 3430'±. Circulation was lost and efforts to regain circulation were not successful. Verbal approval to plug the well were obtained on 3/30/97. Permission is requested to move the rig 75 to 100' east of its present location in order to drill a well and test the margins in this production unit. The original archaeological survey covers the area to be impacted by moving this well. The new well bore will be at 1650' FSL and 1950'± FWL.

4. I hereby certify that the foregoing is true and correct

Signed Michael R. Hunter

Title Division Operations Manager Date 3/30/97

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

ACCEPTED FOR RECORD

JUN 12 1997

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*See instruction on Reverse Side

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATING COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Santa Fe Energy Resources, Inc.

3. Address and Telephone No.

550 W. Texas, Suite 1330, Midland, TX 79701 915/687-3551

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

(K), 1650' FSL & 1650' FWL, Sec. 29, T-22S, R-34E

RECEIVED

APR 8 1997

LAND DEPT.
MIDLAND, TX

5. Lease Designation and Serial No.

NM-69596

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

3. Well Name and No.

Gaucho Unit No. 2

9. API Well No.

30-025-33682

10. Field and Pool, or exploratory Area

Wildcat (Morrow)

11. County or Parish, State

Lea NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☒
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- Other
- Plugged & skid rig
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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3/30/97: Received verbal approval from the BLM to plug the current hole and skid the rig 75' east of the new location. Pump plug #1 (3125'-2286') using 300 sx C1 "H" containing 12% A-11 and 2% CaCl₂. Pump plug #2 (1900'-1780') w/ 100 sx C1 "C" + 2% CaCl₂.3/31/97: Back off drill pipe at 875'. Pump plug #3 (875'-635') w/ 150 sx C1 "C" + 2% CaCl₂. POH & WOC. TIH and tag plug at 825'. Pump plug #4 (825'-625') w/ 125 sx C1 "C" + 2% CaCl₂. POH & WOC. TIH and tag plug at 800'. LD DP, TIH w/ 4 stds. Pump plug #5 (400'-240') with 100 sx C1 "C" + 2% CaCl₂. POH & WOC. Pump plug #6 (30'-surface) w/ 20 sx C1 "C" + 2% CaCl₂. ND BOP's, rig down floor. Prep to rig down and move 75' east to spud Gaucho Unit #2-Y.

14. I hereby certify that the foregoing is true and correct

Signed

Ray McCullough

Title Sr. Production Clerk

Date April 10, 1997

(This space for Federal or State office use)

Approved by

Charles G. Lopez

Title

PETROLEUM ENGINEER

Date

4/18/97

Conditions of approval, if any

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* See Instruction on Reverse Side

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(June 1990)UNITED STATES
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Use "APPLICATION FOR PERMIT -" for such proposals

APR 16 1997

SUBMIT IN TRIPLICATE

RECEIVED

JUN 16 1997 NM

LAND DEPT.
MIDLAND, TX

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

NM-69596

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Gaucho Unit No. 2-Y

9. API Well No.

Not yet assigned

10. Field and Pool, or exploratory Area

Wildcat (Morrow)

11. County or Parish, State

Lea NM

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TYPE OF ACTION

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- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Spud & set casing
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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4/4/97: Spud 17-1/2" hole at 12:00 a.m. Drilling.

4/6/97: TD 17-1/2" hole @ 1759'. Circ for casing.

4/7/97: RU casing crew and ran 19 jts 13-3/8" 61.0# J-55 ST&C & 22 jts 13-3/8" 54.5# J-55 ST&C casing (total of 41 jts) and set at 1759'. Cemented 1st stage w/ 1500 sx C1 "C" containing 6% gel, 2% CaCl₂, 1/4 pps Gilsonite, and 1/4 pps Celloflake. Cement 2nd stage w/ 200 sx C1 "C" + 2% CaCl₂. Plug down at 3:30 p.m. MST. Circ'd 350 sx to surface. WOC, clean cellar and FL. Cut casing off.

4/8/97: Weld on head, test. NU BOP, clean flowline. Test BOP and casing to 500 psi. PU BHA and TIH. WOC a total of 24 hrs. Resume drilling operations. Dril plug & cmt.

14. I hereby certify that the foregoing is true and correct.

Signed

Title Sr. Production Clerk

Date April 11, 1997

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

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JUN 12 1997