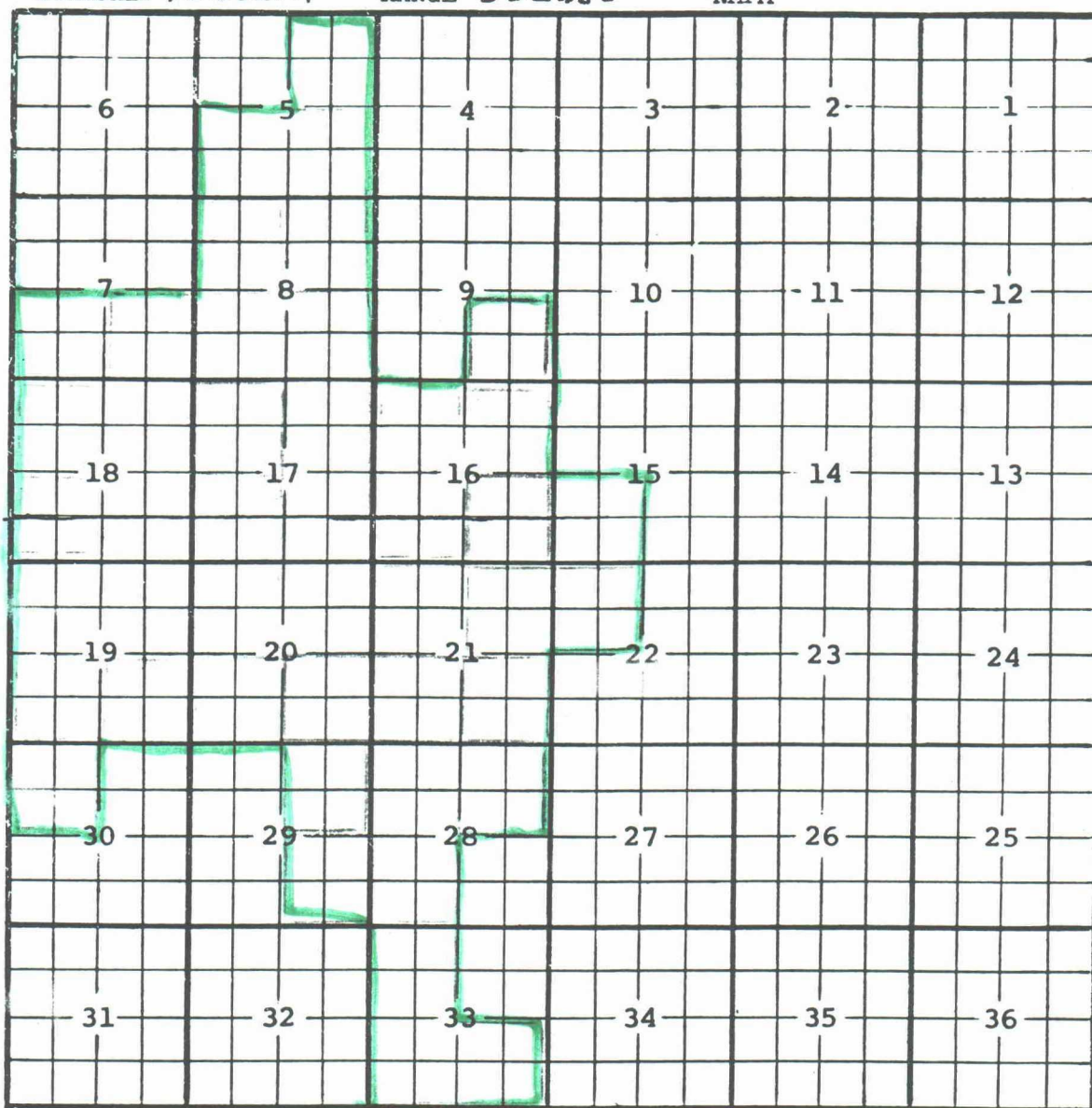


COUNTY LeaPOOL South Corbin - WolfcampTOWNSHIP 18 SouthRANGE 33 East

NMPM

Description: SE $\frac{1}{4}$ Sec. 21 (R-3342, 12-1-67)Ext: SE $\frac{1}{4}$ Sec. 20; SW $\frac{1}{4}$ Sec. 21 (R-3367, 2-1-68) - NE $\frac{1}{4}$ Sec. 29 (R-3438, 7-1-68)Ext: SW $\frac{1}{4}$ Sec. 20 (R-5987, 4-1-79) Ext: $\frac{1}{2}$ Sec. 28 (R-6368, 7-1-80)Ext: $\frac{1}{2}$ and SE $\frac{1}{4}$ Sec 33 (R-6657, 4-20-81)Ext: Sec. 17 SW $\frac{1}{4}$, 18 E $\frac{1}{2}$, 20 NW $\frac{1}{4}$ (R-7114, 10-19-82)Ext: NW $\frac{1}{4}$ Sec. 17 (R-8075, 11-8-85) Ext: NE $\frac{1}{4}$ Sec. 21, NW $\frac{1}{4}$ Sec. 22 (R-8340, 11-3-86)Ext: SE $\frac{1}{4}$ Sec. 16 (R-8461, 6-25-87) EXT: SW $\frac{1}{4}$ SEC 8 (R-8668, 6-10-88)EXT: $\frac{1}{2}$ SEC. 16, SW $\frac{1}{4}$ SEC 18 (R-8696 7-22-88) EXT: SE $\frac{1}{4}$ SEC 8, E $\frac{1}{2}$ SEC. 17NE $\frac{1}{4}$ SEC 20, NW $\frac{1}{4}$ SEC 21 (R-8901, 4-1-89) EXT: SE $\frac{1}{4}$ SEC 19 (R-9095, 1-1-90)EXT: SE $\frac{1}{4}$ SEC 7, NW $\frac{1}{4}$ SEC 18 (R-9120, 3-1-90)Ext: NE $\frac{1}{4}$ Sec. 28 (R-9271, 8-28-90) Ext: SW $\frac{1}{4}$ Sec. 19 (R-9345, 11-7-90)EXT: NW $\frac{1}{4}$ SEC 8 (R-9472, 4-1-91) Ext: $\frac{1}{2}$ Sec. 5, SW $\frac{1}{4}$ Sec. 7 (R-9544, 7-1-91)Ext: $\frac{1}{2}$ Sec. 19 (R-9585, 9-30-91) Ext: NW $\frac{1}{4}$ Sec. 30 (R-9685, 6-30-92)Ext: NE $\frac{1}{4}$ Sec. 16, SE $\frac{1}{4}$ Sec. 29 (R-9723, 9-25-92)

STATUTORY — STEAL

STATUTORY STAPLE. An ancient writ that lay to take the body of a person and seize the lands and goods of one who had forfeited a bond called statute staple. Reg. Orig. 151. See "Staple."

STATUTUM. Lat. Established; determined.

In the Civil law. A term applied to judicial action. Dig. 50, 16, 46, pr.

In old English law. A statute; an act of parliament.

STATUTUM AFFIRMATIVUM NON DEROGAT COMMUNI LEGI. Jenk. Cent. 24. An affirmative statute does not derogate from the common law.

STATUTUM DE MERCATORIBUS. The statute of Acton Burnell, (q. v.).

STATUTUM EX GRATIA REGIS DICITUR, QUANDO REX DIGNATUR CEDERE DE JURE SUO REGIO, PRO COMMODO ET QUIETE POPULI SUL. 2 Inst. 378. A statute is said to be by the grace of the king, when the king deigns to yield some portion of his royal rights for the good and quiet of his people.

STATUTUM GENERALITER EST INTELLIGENDUM QUANDO VERBA STATUTI SUNT SPECIALIA, RATIO AUTEM GENERALIS. When the words of a statute are special, but the reason of it general, the statute is to be understood generally. 10 Coke, 101.

STATUTUM HIBERNIÆ DE COHEREDIBUS. The statute 14 Hen. III. The third public act in the statute-book. It has been pronounced not to be a statute. In the form of it, it appears to be an instruction given by the king to his justices in Ireland, directing them how to proceed in a certain point where they entertained a doubt. It seems the justices itinerant in that country had a doubt, when land descended to sisters, whether the younger sisters ought to hold of the eldest, and do homage to her for their several portions, or of the chief lord, and do homage to him; and certain knights had been sent over to know what the practice was in England in such a case. 1 Reeve, Eng. Law, 259.

STATUTUM SESSIONUM. In old English law. The statute session; a meeting in every hundred of constables and householders, by custom, for the ordering of servants, and debating of differences between masters and servants, rating of wages, etc. 5 Eliz. c. 4.

STATUTUM SPECIALE STATUTO SPECIALI NON DEROGAT. Jenk. Cent. 199. One special statute does not take from another special statute.

STATUTUM WALLIÆ. The statute of Wales. The title of a statute passed in the twelfth year of Edw. I., being a sort of constitution for the principality of Wales, which was thereby, in a great measure, put on the footing of England with respect to its laws and the administration of justice. 2 Reeve, Eng. Law, 93, 94.

STAUBUM. In old records. A store, or stock of cattle. A term of common occurrence in the accounts of monastic establishments. Spelman; Cowell.

STAY, v. To stop, arrest, or forbear. State Founders v. Oliver, 165 Md. 360, 169 A. 59, 61.

To "stay" an order or decree means to hold it in abeyance, or refrain from enforcing it. State v. Draney, 57 Utah 14, 176 P. 767, 769.

STAY, n. A stopping; the act of arresting a judicial proceeding by the order of a court. In re Schwarz, D.C.N.Y., 14 F. 788.

Also that which holds, restrains, or supports. Armenti v. Brooklyn Union Gas Co., 142 N.Y.S. 420, 425, 157 App.Div. 276; Rookstool v. Cudahy Packing Co., 100 Neb. 118, 158 N.W. 440, 444.

Stay laws. Acts of the legislature prescribing a stay of execution in certain cases, or a stay of foreclosure of mortgages, or closing the courts for a limited period, or providing that suits shall not be instituted until a certain time after the cause of action arose, or otherwise suspending legal remedies; designed for the relief of debtors, in times of general distress or financial trouble.

Stay of execution. The stopping or arresting of execution on a judgment, that is, of the judgment-creditor's right to issue execution, for a limited period. This is given by statute in many jurisdictions, as a privilege to the debtor, usually on his furnishing bail for the debt, costs, and interest. Or it may take place by agreement of the parties. See National Docks, etc., Co. v. Pennsylvania R. Co., 54 N.J.Eq. 167, 33 A. 936; State ex rel. Gray v. Hemmings, 194 Mo.App. 545, 185 S.W. 1153, 1154.

Stay of proceedings. The temporary suspension of the regular order of proceedings in a cause, by direction or order of the court, usually to await the action of one of the parties in regard to some omitted step or some act which the court has required him to perform as incidental to the suit; as where a nonresident plaintiff has been ruled to give security for costs. See Wallace v. Wallace, 13 Wis. 226; Lewton v. Hower, 18 Fla. 876; Rossiter v. Aetna L. Ins. Co., 96 Wis. 466, 71 N.W. 898.

"Stay of proceedings" and "abatement", though similar are not identical: abatement being a matter of right, while application for stay of proceedings is addressed to discretion of the court. Evans v. Evans, Tex.Civ.App., 186 S.W.2d 277, 279.

STEADY COURSE. A ship is on a "steady course," not only when her heading does not change, but whenever her future positions are certainly ascertainable from her present position and movements. Commonwealth & Dominion Line v. U. S., C.C.A.N.Y., 20 F.2d 729, 731.

STEAL. This term is commonly used in indictments for larceny, ("take, steal, and carry away,") and denotes the commission of theft, that is, the felonious taking and carrying away of the personal property of another, and without right and without leave or consent of owner, People v. Surace, 295 Ill. 604, 129 N.E. 504, 506; State v.

Docket No. 16-86

DOCKET: COMMISSION HEARING - TUESDAY - MAY 20, 1986
9 A.M. - OIL CONSERVATION COMMISSION, ROOM 205, STATE
LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

SE 8822: (De Novo)

Application of Amoco Production Company for pool creation and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Gallup production comprising all of Sections 25, 26, 35 and 36 in Township 26 North, Range 3 West, and the promulgation of special rules therefor including a provision for 160-acre spacing and designated well locations. Upon application of Amoco Production Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

E 8900:

Application of Mallon Oil Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Mancos formation to the base of the Dakota formation underlying the W/2 of Section 12, Township 25 North, Range 2 West, forming a standard 320-acre spacing and proration unit to be dedicated to its Johnson Federal 12 Well No. 5 which has been drilled at a standard location thereon. Also to be considered will be the costs incurred in the drilling and completion of the well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

E 8901:

Application of Yates Petroleum Corporation, Yates Drilling Company, Myco Industries, Inc., and Abo Petroleum Corporation for determination of reasonable well costs, Chaves County, New Mexico. The New Mexico Oil Conservation Commission issued Division Order No. R-7393 on December 2, 1983 for Case No. 7984, which compulsorily pooled all mineral interests from the surface through and including the Abo formation underlying the SW/4 of Section 20, Township 9 South, Range 27 East, forming a standard 160-acre gas spacing and proration unit and all mineral interests from the top of the Wolfcamp formation to the PreCambrian underlying the W/2 of said Section 20, forming a standard 320-acre gas spacing and proration unit, named Jack J. Grynberg the operator of the units and established a well costs schedule for each zone based on proposed total depth and depth of the Abo zone. Applicants, in the above-styled cause, as interest owners in the Grynberg State Com. Well No. 1 located 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 20 which was drilled pursuant to the compulsory pooling provisions of said Order No. R-7393, now seeks an order ascertaining the reasonableness of actual well costs for the subject well.

8902:

Application of Doyle Hartman for compulsory pooling, two non-standard proration units, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of a well located at an intersection of Sections 16 and 35, Township 26 North, Range 3 West, is in the public interest.

8136 Application of TXO Production Corp. for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from 4,825 feet beneath the surface to the base of the Bone Spring formation underlying the SE/4 NW/4 of Section 26, Township 18 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

8784: (Continued from December 18, 1985, Examiner Hearing)

8177 Application of TXO Production Corp. for compulsory pooling, Lea County, New Mexico.
Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the surface through the base of the Queen formation underlying the NW/4 NE/4 of Section 14, Township 18 South, Range 38 East, forming a standard 40-acre spacing and proration unit, to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

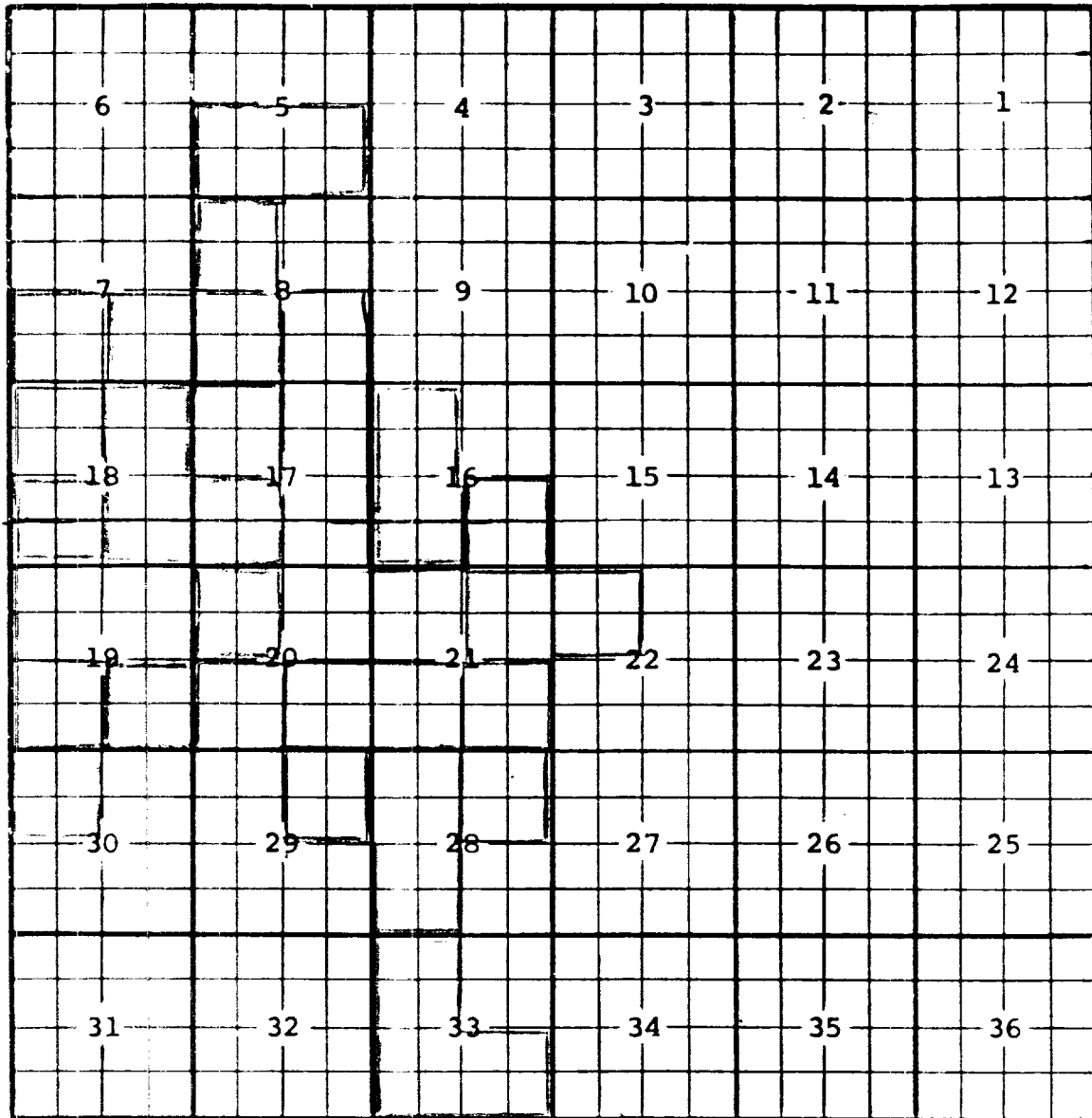
8755: (Continued from December 18, 1985, Examiner Hearing)

8136 Application of TXO Production Corp. for compulsory pooling, Lea County, New Mexico.
Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from 4,825 feet beneath the surface to the base of the Bone Spring formation underlying the SW/4 NW/4 of Section 26, Township 18 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

8807-~~8~~ Application of Joseph S. Sprinkle for a determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as an interest owner in the TXO Production Corporation Sprinkle Federal Well No. 1 located 660 feet from the North and West lines of Section 26, Township 18 South, Range 32 East, Querecho Plains-Upper Bone Spring Pool, which was drilled pursuant to the compulsory pooling provisions of Division Order No. R-7850, entered in Case No. 8494 and dated March 14, 1985, and to which is dedicated the NW/4 NW/4 (Unit D) of said Section 26, seeks an order ascertaining the reasonableness of actual well costs for the subject well.

COUNTY *Lea*POOL *South Corbin - Wolfcamp*TOWNSHIP *18 South*RANGE *33 East*

NMPM

Description: *SE 1/4 Sec. 21 (R-3342, 12-1-67)*Ext: *SE 1/4 Sec. 20; SW 1/4 Sec. 21 (R-3367, 2-1-68) - NE 1/4 Sec. 29 (R-3438, 7-1-68)*Ext. *SW 1/4 Sec. 20 (R-5987, 4-1-79) Ext. 1/2 Sec. 28 (R-6368, 7-1-80)*Ext. *1/2 and SE 1/4 Sec. 33 (R-6657, 1-20-81)*Ext: *Sec. 17 SW 1/4, 18 E 1/2, 20 NW 1/4 (R-7114, 10-19-82)*Ext: *NW 1/4 Sec. 17 (R-8075, 11-8-85) Ext: NE 1/4 Sec. 21, NW 1/4 Sec. 22 (R-8340, 11-3-86)*Ext: *SE 1/4 Sec. 16 (R-8467, 6-25-87) Ext: SW 1/4 Sec. 8 (R-8668, 6-10-88)*Ext: *W 1/2 Sec. 16 SW 1/4 Sec. 18 (R-8696, 7-22-88) Ext: SE 1/4 Sec. 8, E 1/2 Sec. 17*NE 1/4 Sec. 20, NW 1/4 Sec. 21 (R-8901, 4-1-89) Ext: *SE 1/4 Sec. 19 (R-9095, 1-1-90)*Ext: *SE 1/4 Sec. 7, NW 1/4 Sec. 18 (R-9120, 3-1-90)*Ext: *NE 1/4 Sec. 28 (R-9271, 3-28-90) Ext: SW 1/4 Sec. 19 (R-9345, 11-7-90)*Ext: *NW 1/4 Sec. 8 (R-9472, 4-1-91) Ext: 1/2 Sec. 5, SW 1/4 Sec. 7 (R-9544, 7-1-91)*Ext: *1/2 Sec. 19 (R-9585, 9-10-91)*

County Lea Pool South Corbin - Wolfcam

TOWNSHIP 18 South, RANGE 32 East, NEW MEXICO PRINCIPAL MERIDIAN

6	8	4	2	2	1
7	9	9	10	11	12
13	17	13	15	14	13
13	20	21	22	23	24
26	29	23	27	26	25
31	32	33	34	35	36

EXT: $\frac{9}{2}$ SEC 13 (R-8696, 7-22-88) EXT: $\frac{SE}{4}$ SEC. 24 (R-9345, 11-7-90)

EXT: $\frac{NE}{4}$ SEC. 24 (R-9585, 9-30-91)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other ☐

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. REVR. ☐ Other: AM 10 18

2. NAME OF OPERATOR

Santa Fe Energy Operating Partners, L.P.

3. ADDRESS OF OPERATOR

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

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

At surface

(E), 1830' FNL and 660' FWL, Sec. 8, T-18S, R-33E

At top prod. interval reported below

At total depth

14. PERMIT NO. API # DATE ISSUED

30-025-31371

15. DATE SPUDDED 9-12-91 16. DATE T.D. REACHED 11-14-91 17. DATE COMPL. (Ready to prod.) 1-9-92 18. ELEVATIONS (DF. RNB. RT. GR. ETC.)* 3904' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 11,480' 21. PLUG BACK T.D., MD & TVD 11,270' 22. IF MULTIPLE COMPL. HOW MANY* N/A 23. INTERVALS DRILLED BY ROTARY TOOLS ALL CABLE TOOLS --

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 11,131'-11,194' Wolfcamp 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN

CNL/LDT; DLL/MSFL, EPT

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	AMOUNT PULLED
13-3/8"	48#	422'	17-1/2"	None
8-5/8"	24#	3080'	12-1/4"	1300 sx BJ Lite + 200 sx Cl C
5-1/2"	15.5 & 17#	11,480'	7"	1st: 860 sx Cl H. 2nd: 800 sx Lite + 410 sx Cl H

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-7/8"	11,027'	10,995'

31. PERFORATION RECORD (Interval, size and number)

11,315'-11,343' (58 holes) Plugged

11,131'-11,194' (61 holes) 4" csg gun

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
11,315'-343'	CIBP @ 11,300' w/ 30' cmt on top
11,131'-11,194'	6500 gals 15% HCl and 90 ball sealers

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
1-9-92		Flowing				Producing	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
1-31-92	24	22/64	→	455	392	0	862
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
330	pkc	→	455	392	0	42.8°	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented. Will be connected to Conoco, Inc. sales line

35. LIST OF ATTACHMENTS

(Corrected C-104.) Logs, Deviation Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

James McCullough

TITLE Sr. Production Clerk

DATE Feb. 7, 1992

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS		
				NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Queen	4178	4206	Oil & Water	Rustler	1427	
Delaware	6662	6694	Oil & Water	Seven Rivers	3360	
Bone Spring	8659	8681	Water	Queen	4158	
Wolfcamp	10001	10028	Oil and Water	Delaware	5794	
Wolfcamp	11130	11200	Oil	Bone Spring	6728	
				Wolfcamp	10,001	

RECEIVED
FEB 25 1992
OCD HOBBS OFFICE

INCLINATION REPORT

OPERATOR: SANTA FE ENERGY

ADDRESS: 550 W TEXAS, STE 1330
MIDLAND, TX 79701

LEASE NAME: KACHINA 8 FEDERAL

WELL: #2

FIELD: _____

LOCATION: LEA COUNTY, NEW MEXICO

Measured Depth	Angle of Inc.	Displacement Per 100 ft.	Accumulative Displacement
154 *	0.75	1.31 *	2.0174
422 *	1.00	1.75 *	6.7074
889 *	0.75	1.31 *	12.8251
1335 *	0.75	1.31 *	18.6677
1819 *	0.75	1.31 *	25.0081
2311 *	1.00	1.75 *	33.6181
2568 *	1.00	1.75 *	38.1156
3060 *	1.00	1.75 *	46.7256
3565 *	1.00	1.75 *	55.5631
4060 *	1.00	1.75 *	64.2256
4557 *	1.25	2.18 *	75.0602
5051 *	1.25	2.18 *	85.8294
5545 *	1.50	2.62 *	98.7722
6039 *	2.00	3.49 *	116.0128
6580 *	2.00	3.49 *	134.8937
7080 *	2.25	3.93 *	154.5437
7147 *	2.75	4.80 *	157.7597
7642 *	3.25	5.67 *	185.8262
7889 *	2.25	3.93 *	195.5333
8380 *	2.00	3.49 *	212.6692
8871 *	2.00	3.49 *	229.8051
8877 *	2.00	3.49 *	230.0145
9369 *	1.50	2.62 *	242.9049
9865 *	1.00	1.75 *	251.5849
10360 *	1.00	1.75 *	260.2474
10853 *	0.50	0.87 *	264.5365
11480 *	0.50	0.87 *	269.9914

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

CACTUS DRILLING COMPANY

Rebecca Edwards

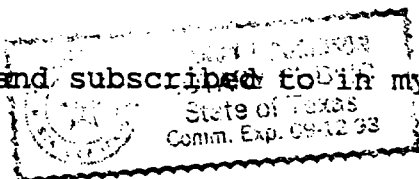
TITLE: DRILLING SECRETARY

AFFIDAVIT:

Before me, the undersigned authority, appeared Rebecca Edwards known to me to be the person whose name is subscribed hereabove, who, on making deposition, under oath states that she is acting for and in behalf of the Operator of the well identified above, and that to the best of her knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

Sharon L. Halmon
AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this 28 day of October, 1991.



Sharon L. Halmon
Notary Public in and for the
County of Midland, State of Texas

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1910, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Santa Fe Energy Operating Partners, L.P.	Well API No. 30-025-31371
Address 550 W. Texas, Suite 1330, Midland, Texas 79701	
Reason(s) for Filing (Check proper box) ☐ Other (Please explain)	
New Well ☐	Change in Transporter of:
Recompletion ☐	Oil ☒ Dry Gas ☐
Change in Operator ☐	Casinghead Gas ☐ Condensate ☐
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Kachina 8 Federal	Well No. 2	Pool Name, including Formation Corbin Wolfcamp, South	Kind of Lease State, Federal or Fee	Lease No. NM-84731
Location Unit Letter <u>E</u> : <u>1830</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>8</u> Township <u>18S</u> Range <u>33E</u> , <u>NMPM</u> Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☒ or Condensate ☐ Texas-New Mexico Pipeline	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2528, Hobbs, NM 88240	
Name of Authorized Transporter of Casinghead Gas ☐ or Dry Gas ☐ Conoco, Inc.	Address (Give address to which approved copy of this form is to be sent) 10 Desta Dr. Suite 627, Midland, TX 79705	
If well produces oil or liquids, give location of tanks.	Unit <u>E</u>	Sec. <u>8</u>
	Twp. <u>18S</u>	Rge. <u>33E</u>
	Is gas actually connected? Yes	When? 2-7-92

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

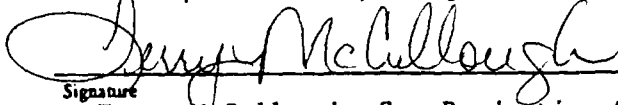
Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

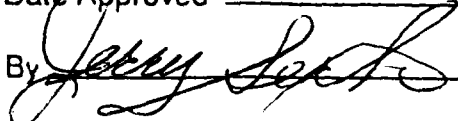
Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


Signature
Terry McCullough, Sr. Production Clerk
Printed Name
Feb. 20, 1992
Date
915/687-3551
Telephone No.

OIL CONSERVATION DIVISION

Date Approved FEB 24 '92
By 
Title DISTRICT I SUPERVISOR

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- All sections of this form must be filled out for allowable on new and recompleted wells.
- Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- Separate Form C-104 must be filed for each pool in multiply completed wells.

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Santa Fe Energy Operating Partners, L.P.	Well API No. 30-025-31371
Address 550 W. Texas, Suite 1330, Midland, Texas 79701	
Reason(s) for Filing (Check proper box) New Well ☐ Change in Transporter of: ☒ Other (Please explain) Recompletion ☐ Oil ☐ Dry Gas ☐ Started gas sales. Change in Operator ☐ Casinghead Gas ☐ Condensate ☐ show gas connection date	
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Kachina 8 Federal	Well No. 2	Pool Name, including Formation Corbin Wolfcamp, South	Kind of Lease State ☒ Federal ☐ or Fee	Lease No. NM-84731
Location Unit Letter <u>E</u> : <u>1830</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>8</u> Township <u>18S</u> Range <u>33E</u> , NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☐ Texaco Trading & Transportation	Address (Give address to which approved copy of this form is to be sent) P. O. Box 6196, Midland, Texas 79711					
Name of Authorized Transporter of Casinghead Gas ☒ or Dry Gas ☐ Conoco, Inc.	Address (Give address to which approved copy of this form is to be sent) 10 Desta Drive, Suite 627, Midland, TX 79705					
If well produces oil or liquids, give location of tanks.	Unit <u>E</u>	Sec. <u>8</u>	Twp. <u>18S</u>	Rge. <u>33E</u>	Is gas actually connected? Yes	When? 2-7-92

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Terry McCullough
Signature
Terry McCullough, Sr. Production Clerk
Printed Name
2-10-92
Date
915/687-3551
Telephone No.

OIL CONSERVATION DIVISION

FEB 13 '92

Date Approved
By Terry McCullough
Title DISTRICT I SUPERVISOR

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

Submit 3 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Utrero Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

Oil Conservation Division

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

*CORRECTED

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Santa Fe Energy Operating Partners, L.P.	Well API No. 30-025-31371
Address 550 W. Texas, Suite 1330, Midland, Texas 79701	
Reason(s) for Filing (Check proper box) New Well ☒ Change in Transporter of: Recompletion ☐ Oil ☐ Dry Gas ☐ Change in Operator ☐ Casinghead Gas ☐ Condensate ☐	
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Kachina 8 Federal	Well No. 2	Pool Name, including Formation Corbin Wolfcamp, South	Kind of Lease State, Federal or Fee State, Federal or Fee	Lease No. NM-84731
Location Unit Letter E : 1830 Feet From The North Line and 660 Feet From The West Line Section 8 Township 18S Range 33E, NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☒ or Condensate ☐ * Texaco Trading and Transportation	Address (Give address to which approved copy of this form is to be sent) P. O. Box 6196, Midland, Texas 79711
Name of Authorized Transporter of Casinghead Gas ☒ or Dry Gas ☐ Conoco, Inc.	Address (Give address to which approved copy of this form is to be sent) 10 Desta Drive, Suite 627, Midland, TX 79705
If well produces oil or liquids, give location of tanks. Unit E Sec. 8 Twp. 18S Rge. 33E	Is gas actually connected? No When? Est. 2-7-92

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well ☒	Gas Well	New Well ☒	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 9-12-91	Date Compl. Ready to Prod. 1-9-92	Total Depth 11,480'	P.B.T.D. * 11,270'					
Elevations (DF, RKB, RT, GR, etc.) 3904' GR	Name of Producing Formation Wolfcamp	Top Oil/Gas Pay 11,315'	Tubing Depth 11,027'					
Performances * 11,131'-11,194 (2 JSPF) 61 holes	TUBING, CASING AND CEMENTING RECORD		Depth Casing Shoe 11,480'					
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					
17-1/2"	13-3/8"	422'	450 sx C1 C					
12-1/4"	8-5/8"	3080'	1300 sx BJ Lite + 200 sx C					
7"	5-1/2"	11,480'	1st: 860 sx H 2nd: 800					
	2-7/8"	11,027'	sx BJ Lite + 410 sx H					

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 1-9-92	Date of Test 1-30-92	Producing Method (Flow, pump, gas lift, etc.) Flowing	
Length of Test 24 hrs	Tubing Pressure FTP 330	Casing Pressure pkr	Choke Size 22/64"
Actual Prod. During Test	Oil - Bbls. 455	Water - Bbls. 0	Gas - MCF 392

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (puot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature

Terry McCullough, Sr. Production Clerk

Printed Name

Feb. 7, 1992

Date

Title

915/687-3551

Telephone No.

OIL CONSERVATION DIVISION

FEB 11 '92

Date Approved

By

Geologist

Title

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

Submit 3 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERV. RE-
Form C-104
Printed 5/78
See Instructions
at Bottom of Page

'92 FEB 10 10 05

**REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS**

Operator Santa Fe Energy Operating Partners, L.P.		Well API No. 30-025-31371
Address 550 W. Texas, Suite 1330, Midland, Texas 79701		
Reason(s) for Filing (Check proper box) ☐ Other (Please explain)		
New Well ☒	Change in Transporter of: Oil ☐ Dry Gas ☐ Casinghead Gas ☐ Condensate ☐	Approval to flare casinghead gas from this well must be obtained from the BUREAU OF LAND MANAGEMENT (BLM)
Recompletion ☐		
Change in Operator ☐		
If change of operator give name and address of previous operator _____		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Kachina 8 Federal	Well No. 2	Pool Name, including Formation Corbin Wolfcamp, South	Kind of Lease State, Federal or Fee ☒	Lease No. NM-84731
Location Unit Letter E : 1830 Feet From The North Line and 660 Feet From The West Line Section 8 Township 18S Range 33E , NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☒ or Condensate ☐ Texas-New Mexico Pipeline	Address (Give address to which approved copy of this form is to be sent)	
Name of Authorized Transporter of Casinghead Gas ☒ or Dry Gas ☐ Conoco, Inc.	Address (Give address to which approved copy of this form is to be sent) 10 Desta Drive, Suite 627, Midland, TX 79705	
If well produces oil or liquids, give location of tanks.	Unit E	Sec. 8
	Twsp. 18S	Rge. 33E
	Is gas actually connected? No When? Est. 2-7-92	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well ☒	Gas Well	New Well ☒	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 9-12-91	Date Compl. Ready to Prod. 1-9-92		Total Depth 11,480'		P.B.T.D. 11,395'			
Elevations (DF, RKB, RT, GR, etc.) 3904' GR	Name of Producing Formation Wolfcamp		Top Oil/Gas Pay 11,315'		Tubing Depth 11,027'			
Perforations 11,315'-11,343' (2 JSPF) 58 holes					Depth Casing Shoe 11,480'			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
17-1/2"	13-3/8"		422'		450 sx C1 C			
12-1/4"	8-5/8"		3080'		1300 sx BJ Lite + 200 sx C			
7"	5-1/2"		11,480'		1st: 860 sx H 2nd: 800			
	2-7/8"		11,027'		sx BJ Lite + 410 sx H			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

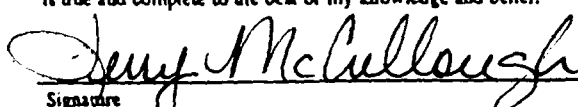
Date First New Oil Run To Tank 1-9-92	Date of Test 1-30-92	Producing Method (Flow, pump, gas lift, etc.) Flowing	
Length of Test 24 hrs	Tubing Pressure FTP 330	Casing Pressure pkr	Choke Size 22/64"
Actual Prod. During Test	Oil - Bbls. 455	Water - Bbls. 0	Gas - MCF 392

GAS WELL

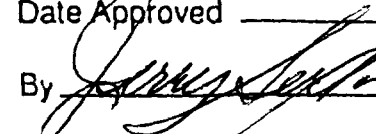
Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (prior, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


Signature
Terry McCullough, Sr. Production Clerk
Printed Name
Date **1/31/92** Telephone No. **915/687-3551**

OIL CONSERVATION DIVISION

Date Approved **FEB 03 '92**
By 
Title **DISTRICT 1 SUPERVISOR**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

INCLINATION REPORT

OIL CONSERVATION DIVISION

OPERATOR: SANTA FE ENERGY

ADDRESS: RE 550th W TEXAS, STE 1330

MIDLAND, TX 79701

LEASE NAME: KACHINA 8 FEDERAL

WELL: FE #2 B AM FIELD

LOCATION: LEA COUNTY, NEW MEXICO

1830/N + 660/W 8-18-33

Measured Depth	Angle of Inc.	Displacement Per 100 ft.	Accumulative Displacement
154 *	0.75	1.31 *	2.0174
422 *	1.00	1.75 *	6.7074
889 *	0.75	1.31 *	12.8251
1335 *	0.75	1.31 *	18.6677
1819 *	0.75	1.31 *	25.0081
2311 *	1.00	1.75 *	33.6181
2568 *	1.00	1.75 *	38.1156
3060 *	1.00	1.75 *	46.7256
3565 *	1.00	1.75 *	55.5631
4060 *	1.00	1.75 *	64.2256
4557 *	1.25	2.18 *	75.0602
5051 *	1.25	2.18 *	85.8294
5545 *	1.50	2.62 *	98.7722
6039 *	2.00	3.49 *	116.0128
6580 *	2.00	3.49 *	134.8937
7080 *	2.25	3.93 *	154.5437
7147 *	2.75	4.80 *	157.7597
7642 *	3.25	5.67 *	185.8262
7889 *	2.25	3.93 *	195.5333
8380 *	2.00	3.49 *	212.6692
8871 *	2.00	3.49 *	229.8051
8877 *	2.00	3.49 *	230.0145
9369 *	1.50	2.62 *	242.9049
9865 *	1.00	1.75 *	251.5849
10360 *	1.00	1.75 *	260.2474
10853 *	0.50	0.87 *	264.5365
11480 *	0.50	0.87 *	269.9914

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.

CACTUS DRILLING COMPANY

Rebecca Edwards

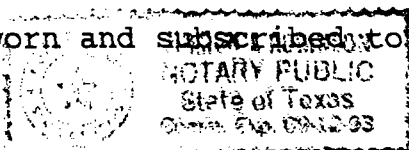
TITLE: DRILLING SECRETARY

AFFIDAVIT:

Before me, the undersigned authority, appeared Rebecca Edwards known to me to be the person whose name is subscribed hereabove, who, on making deposition, under oath states that she is acting for and in behalf of the Operator of the well identified above, and that to the best of her knowledge and belief such well was not intentionally deviated from the true vertical whatsoever.

Sharon L. Henderson
AFFIANT'S SIGNATURE

Sworn and subscribed to in my presence on this 28 day of October, 1991.



Sharon L. Henderson
Notary Public in and for the

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

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

OIL CONSERVATION DIVISION
RECEIVED
'92 JAN 27 AM 10 39

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

I.

Operator Santa Fe Energy Operating Partners, L.P.	Well API No. 30-025-31371
Address 550 W. Texas, Suite 1330, Midland, Texas 79701	
Reason(s) for Filing (Check proper box) New Well ☐ Change in Transporter of: ☒ Other (Please explain) 2000 Recompletion ☐ Oil ☐ Dry Gas ☐ Request to move 840 bbls test oil Change in Operator ☐ Casinghead Gas ☐ Condensate ☐ Jan. 1992	
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Kachina 8 Federal	Well No. 2	Pool Name, including Formation Corbin Wolfcamp, South	Kind of Lease State (Federal or Fee)	Lease No. NM-84731
Location Unit Letter E : 1830 Feet From The North Line and 660 Feet From The West Line Section 8 Township 18S Range 33E, NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☒ or Condensate ☐ Texaco Trading and Transportation	Address (Give address to which approved copy of this form is to be sent) P. O. Box 6196, Midland, TX 79711					
Name of Authorized Transporter of Casinghead Gas ☒ or Dry Gas ☐ Gannco, Inc.	Address (Give address to which approved copy of this form is to be sent) 10 Desta Drive, Suite 627, Midland, TX 79705					
If well produces oil or liquids, give location of tanks.	Unit E	Sec. 8	Twp. 18S	Rge. 33E	Is gas actually connected? No	When? Est. 1-27-92

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.D.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations Wolfcamp 11,315'-11,343' (2 SPF) 58 holes						Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

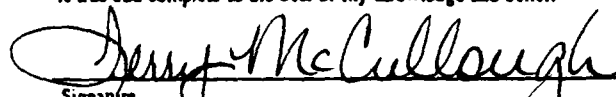
Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


Signature
Terry McCullough, Sr. Production Clerk
Printed Name
Jan. 22, 1992
Date
915/687-3551
Telephone No.

OIL CONSERVATION DIVISION

Date Approved JAN 24 '92

By

Title DISTRICT 1 SUPERVISOR

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

LEASE DESIGNATION AND SERIAL NO

NM-84731

SUNDRY NOTICES AND REPORTS ON WELLS

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

92 JAN 15 AM 10 30

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P.	7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 550 W. Texas, Suite 1330, Midland, Texas 79701	8. FARM OR LEASE NAME Kachina 8 Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also Space 17 below.) At surface (E), 1830' FNL and 660' FWL, Sec. 8, T-18S, R-33E	9. WELL NO. 2
10. FIELD AND POOL, OR WILDCAT Corbin Wolfcamp, South	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T-18S, R-33E	
12. COUNTY OR PARISH: 13. STATE Lea NM	
14. PERMIT NO. API # 30-025-31371	15. ELEVATIONS (Show whether OF, RT, GR, etc.) 3904' GR

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT OFF	___	DRILL OR ALTER Casing	___
FRAC TURE TREAT	___	COMPLETE COMPLETION	___
SHOOT OR ACIDIZE	☒	ABANDON*	___
REPAIR WELL	___	CHANGE PLANT	___
Other:	___		___

WATER SHUT OFF	___	REPAIRING WELL	___
FRAC TURE TREATMENT	___	ALTERING CASING	___
SHOOTING OR ACIDIZING	___	ABANDONMENT*	___
Other:	___		___

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

17. (If well is abandoned or completed operations, describe 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.) *

It is planned to rig up on December 30, 1991, to restimulate Wolfcamp "AG" perforations 11,315'-11,343'. If unsuccessful, these perfs will be abandoned and the Wolfcamp "AF" zone will be perforated.

Please be advised that this work in progress will hold Hanley Petroleum Inc.s' lease (Lease No. NM-67716) which is due to expire 12-31-91.

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

SIGNED

Greg McCallough

TITLE Sr. Production Clerk

DATE 12-19-91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE 12/30/91

CONDITIONS OF APPROVAL IF ANY:

*See Instructions on Reverse Side

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OIL CONSERVATION DIVISION
PERMIT IN TRIPLICATE
Other instructions on re-
(reverse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P.	2. LEASE DESIGNATION AND SERIAL NO. MI-84731
3. ADDRESS OF OPERATOR 550 W. Texas, Suite 1330, Midland, Texas 79701	3. IF INDIAN, ALLOTTEE OR TRIBE NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also Space 17 below.) At surface E, 1830' FNL and 660' FWL, Sec. 8, 18S, 33E	4. UNIT AGREEMENT NAME
5. PERMIT NO. API No. 30-025-31371	5. FARM OR LEASE NAME Kachina 8 Federal
6. ELEVATIONS (Show whether DF, RT, GR, etc.) 3904' GR	6. WELL NO. 2
	7. FIELD AND POOL, OR WILDCAT Corbin Wolfcamp, South
	8. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T-18S, R-33E
	9. COUNTY OR PARISH, 13. STATE Lea NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

WATER SHUT OFF	REPAIR OR ALTER CASING
FRAC TURE TREAT	MULTIPLE COMPLETION
SHOOT OR ACIDIZE	ABANDON*
REPAIR WELL	CHANGE PLANS
(Other)	

WATER SHUT OFF	REPAIRING WELL
FRAC TURE TREATMENT	ALTERING CASING
SHOOTING OR ACIDIZING	ABANDONMENT*
(Other)	

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

17. 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.)*

11-7-91: Perforated Wolfcamp at 11,315'-11,343' w/ 2 SPF 120° phasing (58 holes w/ 4" csg gun).

11-12-91: Acidized Wolfcamp perms w/ 4500 gal 15% NEFE HCl and 87 ball sealers.

11-14-91: Shut down pending additional stimulation evaluation.

FILED FOR RECORD
AK

DEC 31 1991

NEW MEXICO

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

SIGNED James Y. McLaughlin

TITLE Sr. Production Clerk

DATE 12-19-91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

DIVISION DESIGNATION AND SERIAL NO

NM-84731

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P.	7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 550 W. Texas, Suite 1330, Midland, Texas 79701	8. FARM OR LEASE NAME Kachina 8 Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface (E), 1830' FNL and 660' FWL, Sec. 8, T-18S, R-33E	9. WELL NO. 2
14. PERMIT NO. API #30-025-31371	10. FIELD AND POOL, OR WILDCAT South Corbin Wolfcamp
15. ELEVATIONS (Show whether OF, RT, GR, etc.) 3904' GR	11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Sec. 8, T-18S, R-33E
	12. COUNTY OR PARISH 13. STATE Lea NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	WELL OR A Casing	WATER SHUT-OFF	REPAIRING WELL
FRAC TURE TREAT	MULTIPLE COMPLETE	FRAC TURE TREATMENT	ALTERING CASING
SHOOT OR ACIDIZE	ABANDON*	SHOOTING OR ACIDIZING	ABANDONMENT*
REPAIR WELL	CHANGE PLANE	(Other) <u>Ran casing and released rig</u>	X

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

17. DESCRIBE COMPLETION OR COMPLETION 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.)

10-15-91: Depth 11,480' (TD). Started running 5-1/2" casing.

10-16-91: Finished running a total of 276 jts 5-1/2" casing as follows:

62 jts 5-1/2" 17# N-80 LT&C
20 jts 5-1/2" 17# L-80 LT&C
71 jts 5-1/2" 17# K-55 LT&C
67 jts 5-1/2" 15.5# K-55 LT&C
56 jts 5-1/2" 17# L-80 LT&C

Casing set at 11,480'. FC @ 11,395'. DV tool @ 7974'. Cemented 1st stage w/ 860 sx C1 H w/ 5% A-5 & 1% FL-20. Bump plug at 8:30 a.m. Open DV tool and circ 50 sx cmt to surface. Cemented 2nd stage w/ 800 sx BJ Lite w/ 5% A-5 followed by 410 sx C1 H w/ 5% A-5 & 1% FL-20. Plug down at 4:20 p.m., float held. ND BOP's. Set slips & spool. Rig released at 9:30 p.m. WOCU.

RECEIVED FOR RECORD
NOV 02 1991

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

SIGNED

Henry McCullough

TITLE Sr. Production Clerk

DATE Oct. 23, 1991

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Form 3160-5
November 1983
Formerly 9-331

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-013
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM-84731

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Kachina 8 Federal

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

South Corbin Wolfcamp

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA

Sec. 8, T-18S, R-33E

12. COUNTY OR PARISH 13. STATE

Lea NM

SUNDRY NOTICES AND REPORTS ON WELLS

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

OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Santa Fe Energy Operating Partners, L.P.

3. ADDRESS OF OPERATOR

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
AT SURFACE

(E), 1830' FNL and 660' FWL, Sec. 8, T-18S, R-33E

14. PERMIT NO.

API # 30-025-31371

15. ELEVATIONS (Show whether DF, RT, CR, etc.)

3904' GR

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

WATER SHUT-OFF

WATER TREAT

SHOOT OR ACIDIZE

REPAIR WELL

OTHER

WELL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACURE TREATMENT

SHOOTING OR ACIDIZING

OTHER

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

Ran casing string

X

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

17. A SUMMARY OF THE WORK COMPLETED HEREON. (Specify state all pertinent details and give pertinent dates, including estimated date of starting a
proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones per-
tinent to this work.)*

9-17-91: Depth 3080'. RU casing crew. Ran 76 jts 8-5/8" 24# K-55 casing and set
at 3080'. FC at 2998'. Cemented w/ 1300 sx BJ Lite w/ 10#/sk salt. Tail
w/ 200 sx Cl C Neat. Circulated 68 sx to pit. Plug down at 3:15 p.m.
WOC. Begin NU BOP.

9-18-91: Finish NU BOP's. Test BOP's, manifold, and kelly to 3000 psi - okay.
Test hydrill to 1500 psi. WOC total of 27 hours. Test casing to 1500
psi - held okay. Resume drilling operations.

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

SIGNED

(This space for Federal or State office use)

TITLE Sr. Production Clerk

DATE Sept. 20, 1991

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-01
Expires August 31, 1985

LEASE DESIGNATION AND SERIAL NO.

NM-84731

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back, or to deepen reservoirs.
Use "APPLICATION FOR PERMIT" for such proposals.)

RECEIVED
SEP 24 AM 10 04

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P.	7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 550 W. Texas, Suite 1330, Midland, Texas 79701	8. FARM OR LEASE NAME Kachina 8 Federal Com
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface (E), 1830' FNL and 660' FWL, Sec. 8, T-18S, R-33E	9. WELL NO. 2
10. ELEVATIONS (Show whether OF, RT, GR, etc.) API #30-025-31371 3904' GR	10. FIELD AND POOL, OR WILDCAT South Corbin (Wolfcamp)
11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA Sec. 8, T-18S, R-33E	11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
12. COUNTY OR PARISH Lea	13. STATE NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

WATER SHUT-OFF	REPAIR OR ALTER CASING
FRAC TREAT	WELL TITLE COMPLETE
SHOOT OR ACIDIZE	ABANDON*
REPAIR WELL	CHANGE PLANS
Other:	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	REPAIRING WELL
FRAC TREATMENT	ALTERING CASING
SHOOTING OR ACIDIZING	ABANDONMENT*
Other: Spud & set surf casing	XX

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

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Identify state all pertinent details, and give pertinent dates, including estimated date of starting 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.*

9-12-91: Spud 17-1/2" hole at 7:00 p.m.

9-13-91: Depth 422'. RU casing crew. Ran 10 jts 13-3/8" 48# H-40 ST&C casing and set at 422'. Cemented w/ 450 sx Class C w/ 2% CaCl₂ and 1/4#/sk flocele. Circulated 45 sx to pit. Plug down at 6:30 a.m. WOC total of 10 hrs. Test casing to 600 psi for 30 min.- held okay. Resume drilling operations.

As
SEP 10 1991

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

SIGNED

James McCullough

TITLE Sr. Production Clerk

DATE Sept. 16, 1991

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR OIL CONSERVATION DIVISION
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Santa Fe Energy Operating Partners, L.P.

3. ADDRESS OF OPERATOR

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

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

At surface

1830' FNL & 660' FWL, Sec. 8, T-18S, R-33E

At proposed prod. zone

Same

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

10 miles southeast of Moriarty, New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

11,500'

20. ROTARY OR CABLE TOOLS

Rotary

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

3904.3' GR

22. APPROX. DATE WORK WILL START*

September 6, 1991

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48.0	400'	400 sx CIRCULATE
12-1/4"	8-5/8"	28.0	3,100'	1,450 sx 2 SEE STIPS.
7-7/8"	5-1/2"	15.5 & 17.0	11,500'	See below)

Move in drilling rig. Drill 17-1/2" hole to 400'. Run 13-3/8" casing and cement to surface with 400 sx "C" cement w/2% CaCl₂ and 1/4 pps celloflake. WOC 6 hours. Nipple up BOP and test BOP and casing to 600 psi. Drill 12-1/4" hole to 3100'. Run 8-5/8" casing and cement with 1200 sx 35/65 Poz/"C" cement w/6% gel, 10% NaCl and 1 pps celloflake followed by 250 sx of "C" cement w/2% CaCl₂. Install BOP and test rams and choke to 5000 psi, annular to 1000 psi. Drill 7-7/8" hole to 11,500'. Run logs. Run 5-1/2" casing and cement with 50/50 Poz/"H" cement, 2% gel, 6 pps NaCl and 0.75% fluid loss additive. Sufficient cement will be used to cover all potentially productive zones.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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. 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

Danell Roberts

TITLE

Sr. Drilling Engineer

DATE

8-6-91

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

8-29-91

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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-162
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1900, Hobbs, NM 88240

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator SANTA FE ENERGY OPERATING PARTNERS LP			Lease KACHINA 8 FEDERAL <i>Com</i>		Well No. 2
Unit Letter E	Section 8	Township 18 SOUTH	Range 33 EAST	County LEA	
Actual Footage Location of Well: 1830 feet from the NORTH line and 660 feet from the WEST line					
Ground level Elev. 3904.3	Producing Formation Wolfcamp	Pool South Corbin (Wolfcamp)		Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

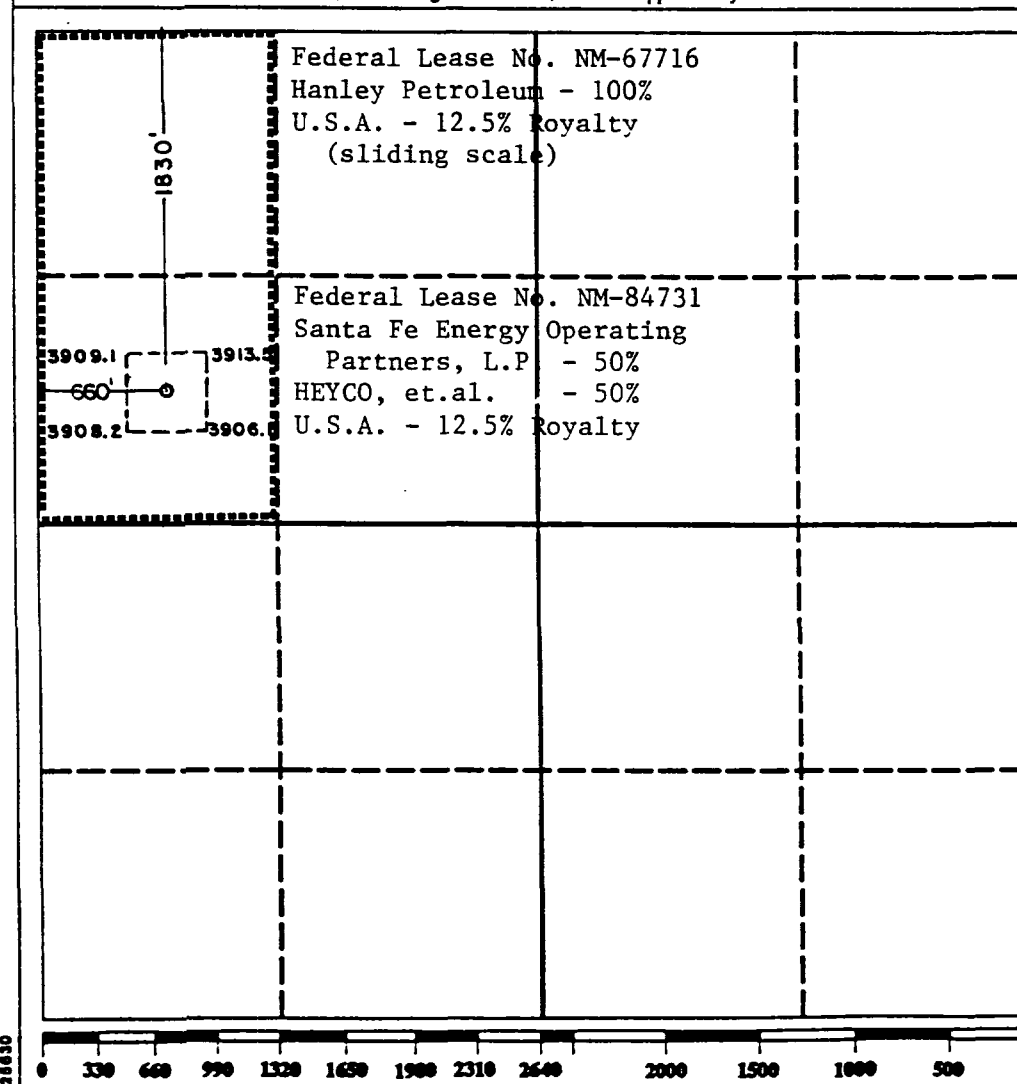
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes ☐ No If answer is "yes" type of consolidation Compulsory Pooling Order No. R-9480-B

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Darrell Roberts

Printed Name

Darrell Roberts

Position

Senior Drilling Engineer

Company Santa Fe Energy

Operating Partners, L.P.

Date

8-5-91

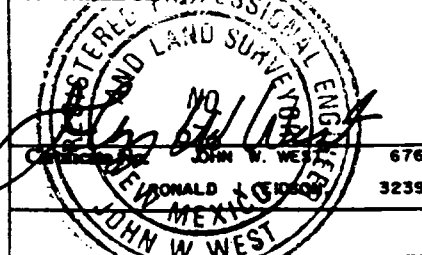
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

7-30-91

Signature & Seal of
Professional Surveyor



SANTA FE ENERGY OPERATING PARTNERS, L.P.
OPERATIONS PLAN
Kachina "8" Federal No. 2

1. Drill a 17-1/2" hole to 400'±.
2. Run 13 3/8" 48.0 ppg H-40 ST&C casing. Cement with 400 sacks Class "C" cement containing 2% Calcium Chloride. Run centralizers on every other joint above shoe. Apply thread lock to bottom two joints, float collar and guide shoe.
3. Wait on cement eight hours.
4. Cut off casing. Nipple up and install BOP system.
5. Test casing to 600 psi.
6. Drill a 12 1/4" hole to 3100'.
7. Run 8 5/8" 24.0 ppg K-55 ST&C casing. Cement with 1200 sacks Howco lite containing 12 ppg salt and 1/4 ppg flocele followed by 250 sacks Class C with 2% CaCl₂. Run guide shoe on bottom and float collar one joint off of bottom. Centralize every other joint for bottom 400' of casing and place two centralizers in surface casing. Thread lock bottom 2 joints.
8. Wait on cement eight hours.
9. Cut off casing. Nipple up and install BOP system and choke manifold.
10. Test BOP to 3000 psi. Test casing to 1500 psi.
11. Drill 7-7/8" hole to 11,500'. Run logs.
12. Either run and cement 5-1/2" production casing or plug and abandon as per BLM instructions.

Exhibit A
Santa Fe Energy Operating Partners, LP
Kachina "8" Federal No. 2
Section 8, T18S-R33E
Lea County, New Mexico

DDR:dw-2572

PROPOSED BOPE AND CHOKE ARRANGEMENT

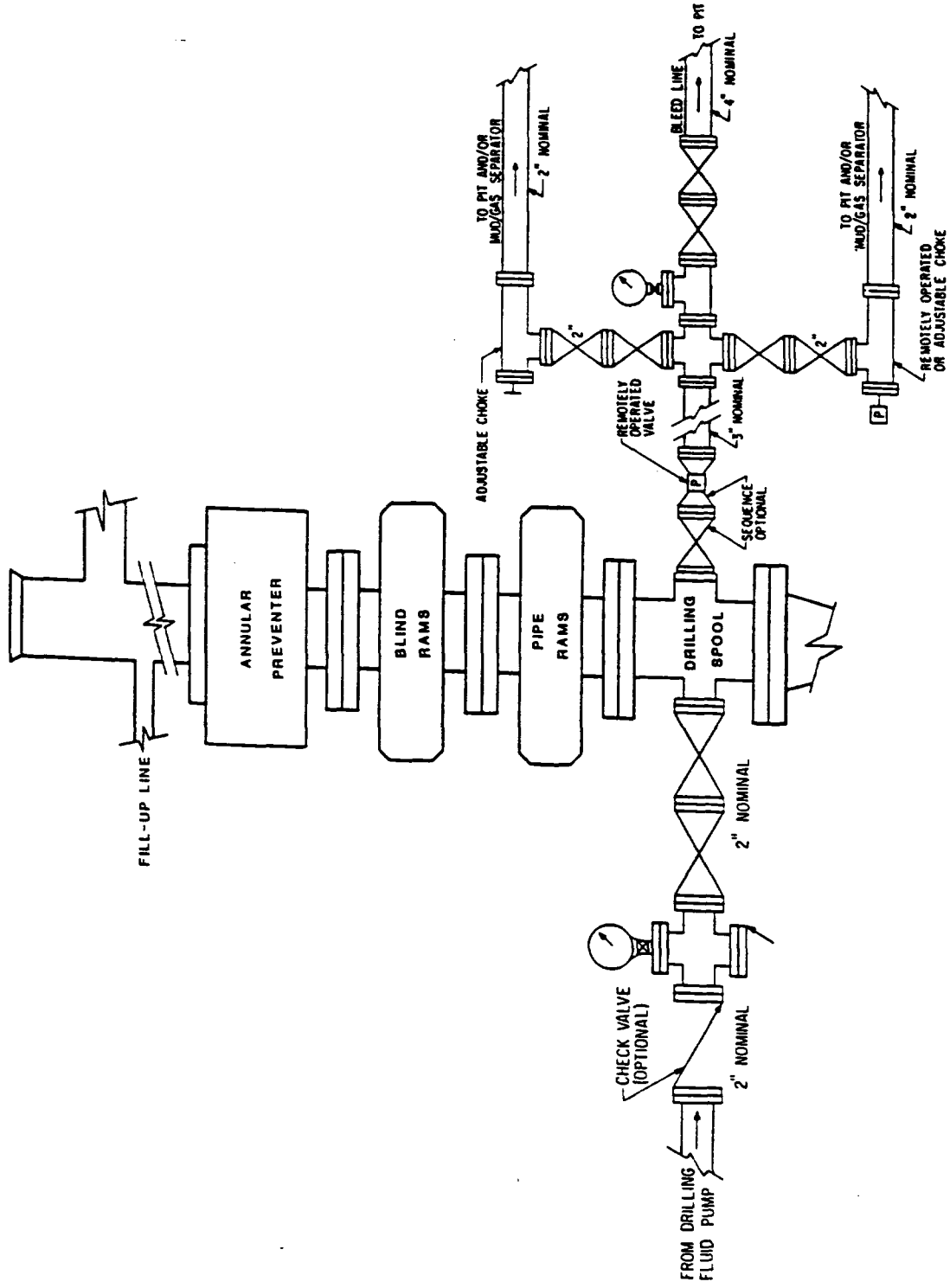


EXHIBIT B

SANTA FE ENERGY OPERATING PARTNERS, LP.
 KACHINA "8" FED. No.2,
 1830' FNL & 660' FWL, SEC.8 T 18 S, R 33 E
 LEA CO., NEW MEXICO