



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

September 14, 2000

Santa Fe Snyder Corporation
550 W. Texas, Suite 1330
Midland, Texas 79701

RE: Division Administrative Order SWD-736
Old Ranch Canyon "7" Fed Well No. 5-Y
Eddy County, New Mexico

Dear Sir:

Please replace the first page of Division Administrative Order SWD-736 with the enclosed replacement page that reflects the current surface location.

If you have any questions, please call me at (505) 827-8183.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Ashley".

Mark Ashley
Petroleum Engineering Specialist

cc: Oil Conservation Division - Artesia

Form 3160-5
(November 1994)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.FORM APPROVED
Budget Bureau No. 1004 0135
Expires July 31, 1996

5. Lease Serial No.

NM-81219

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and/or No.

16775

8. Well Name and No.

Old Ranch Canyon

"7" Fed. No. 5Y

9. API Well No.

10. Field and Pool, or Exploratory Area

SWD; Montoya

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

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

TYPE OF ACTION

- | | | | |
|---|---|--|--|
| ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other <u>Lease</u> |
| ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | <u>Responsibility</u> |
| ☐ Convert to Injection | ☐ Plug Back | ☐ Water Disposal | <u>Statement</u> |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

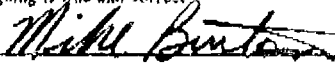
Santa Fe Energy Resources, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above in the heading and previously described in an APD.

Bond Coverage: BLANKET BOND

BLM Bond File No.: MT 0750

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Mike Burton



Title

Division Operations Manager

Date

May 11, 1999

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Consent of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject issue which would entitle the applicant to conduct operations thereon.

Office

DISTRICT IP. O. Box 1980
Hobbs, NM 88241-1980**DISTRICT II**P. O. Box 00
Artesia, NM 88211-0719**DISTRICT III**1000 Rio Brazos Rd.
Aztec, NM 87410**DISTRICT IV**P. O. Box 2088
Santa Fe, NM 87507-2088State of New Mexico
Energy, Minerals, and Natural Resources DepartmentForm C-102
Revised 02-10-94

Instructions on back

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies**OIL CONSERVATION DIVISION**P. O. Box 2088
Santa Fe, New Mexico 87504-2088☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number		Pool Code 96112	Pool Name SWD; Montoya	
Property Code	Property Name OLD RANCH CANYON '7' FEDERAL			Well Number 5 Y
OGRID No. 020305	Operator Name SANTA FE ENERGY RESOURCES, INC.			Elevation 3987'

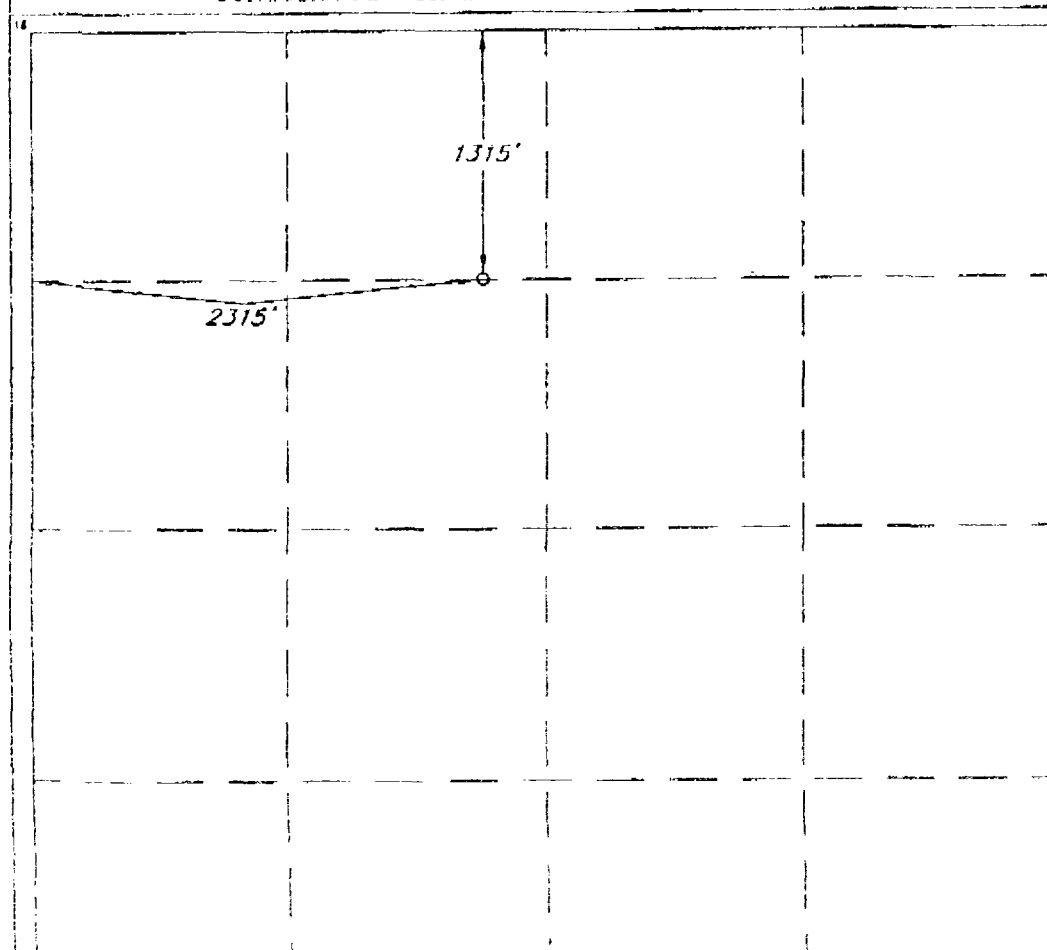
" SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	7	22 SOUTH	24 EAST, N.M.P.M.		1315'	NORTH	2315'	WEST	EDDY

" BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acrea	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT 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
*Mike Burton*Printed Name
Mike BurtonTitle
Drilling ManagerDate
5/11/99**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 belief.Date of Survey
DECEMBER 12, 1998Signature and Seal of
Professional Surveyor
ROBERT ROBBINS
NEW MEXICO
REGISTERED
12129

N. M. Oil Cons. Division

811 S. 1ST ST.

ARTESIA, NM 88210

(Other instructions on reverse side)

FORM APPROVED

OMB NO. 1004-0136

Expires: February 28, 1995

Form 3150-3

(July 1992)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐		5. LEASE DESIGNATION AND SERIAL NO. NM-81219	
b. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER SWD ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Santa Fe Energy Resources, Inc. <i>20305</i>		7. UNIT AGREEMENT NAME 16775	
3. ADDRESS AND TELEPHONE NO. 550 W. Texas, Suite 1330, Midland, TX 79701 915/686-6612		8. FARM OR LEASE NAME, WELL NO. Old Ranch Canyon "7" Federal #5Y	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface (F), 1315' FNL and 2315' FWL At proposed prod. zone		9. API WELL NO. 30-015-30653	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 16-3/4 miles west of Carlsbad, New Mexico		10. FIELD AND POOL, OR WILDCAT SWD: Montoya	
13. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1315'	16. NO. OF ACRES IN LEASE 640	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 7, T-22S, R-24E	
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 958'	19. PROPOSED DEPTH 11,600'	12. COUNTY OR PARISH Eddy	
21. ELEVATIONS (Show whether OF, RT, GR, etc.) 3987' GR		13. STATE NM	
20. ROTARY OR CABLE TOOLS Rotary		17. NO. OF ACRES ASSIGNED TO THIS WELL 0	
22. APPROX. DATE WORK WILL START* March 1, 1999			

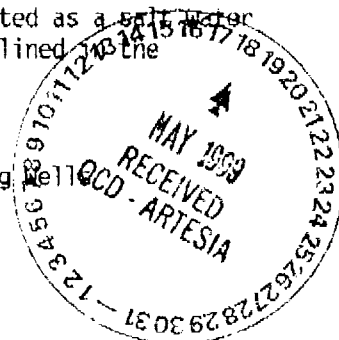
23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" K-55	54.5#	1,600'	1225 sx to circulate
12-1/4"	9-5/8" L-80	43.5#	10,600'	800 sx (TOC @ 7,000')

We propose to drill to a depth sufficient to penetrate the Devonian/Montoya formations. If sufficient porosity and permeability are encountered, the well will be completed as a salt water disposal well. 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
Exhibit C - Drilling Fluid Program
Exhibit D - Auxiliary Equipment
Exhibit E - Topo Map at Location

Exhibit F - Plat Showing Existing Well
Exhibit F(A) - Plat of Location
Exhibit G - Well Site Layout
Surface Use and Operations Plan
H2S Drilling Operations Plan



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.

SIGNED *Larry McCullough* TITLE Sr. Production Clerk DATE 5/11/99

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Applicant 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:

Acting

Assistant Field Office Manager,
Lands and Minerals

(ORIG. SGD.) ARMANDO A. LOPEZ

APPROVED BY

TITLE

DATE

(See instructions on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

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

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

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SWD

2. Name of Operator

Santa Fe Energy Resources, Inc.

3. Address and Telephone No.

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

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

(C) 1315' FNL & 2315' FWL Sec. 7, T-22-S, R-24-E

5. Lease Designation and Serial No.

NM 81219

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Old Ranch Canyon "7" Fed #5-1

9. API Well No.

30-015-30578

10. Field and Pool, or Exploratory Area

SWD

11. County or Parish, State

Eddy, New Mexico

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 Move surface location
☐ 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.)

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.)*

Due to mechanical problems it was necessary to plug and abandon the Old Ranch Canyon "7" Fed #5 at a total depth of 484'.

The surface location was moved from 1350' FNL & 2350' FWL to 1315' FNL & 2315' FWL Sec. 7, T-22-S, R-24-E.

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

Signed [Signature]

Title Agent for Santa Fe Energy

Date 4-1-99

(This space for Federal or State office use)

Approved by [Signature]
Conditions of approval, if any:

Title Petroleum Engineer

Date 4/9/99

District I
1625 N. Federal Dr. Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1900 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form O-100
Revised March 25, 1999

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator Name and Address Santa Fe Snyder Corp. 550 W. Texas, Suite 1330 Midland, TX 79701		2 OGRID Number 920305	
3 API Number 30-0 30 015-30778		4 Reason for Filing Code CH (effective 7/1/99) and NW	
5 Pool Name SWD (Montoya) Admin Order SWD-736		6 Pool Code	
7 Property Code 016775		8 Well Number 5-1	
9 Property Name Old Ranch Canyon "Z" Federal			

II. Surface Location

U. or L. Sec.	Section	Township	Range	Lot. Idn	Feet from the	North-South Line	Feet from the	East-West line	County
	7	22S	24E		1315	North	2315	West	Eddy

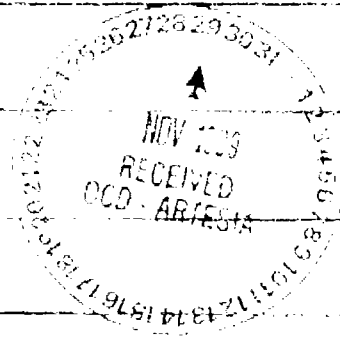
" Bottom Hole Location

U. or L. Sec.	Section	Township	Range	Lot. Idn	Feet from the	North-South Line	Feet from the	East-West line	County
10 Use Code	11 Producing Method Code	12 Gas Connection Date	13 C-129 Permit Number	14 C-129 Effective Date	15 C-129 Expiration Date				
	SWD Well								

III. Oil and Gas Transporters

16 Transporter OGRID	17 Transporter Name and Address	18 POD	19 C-129	20 POD ULSR Location and Description

ILLEGIBLE



IV. Produced Water

21 POD	22 POD ULSR Location and Description

V. Well Completion Data

23 Spud Date	24 Ready Date	25 TD	26 PHTD	27 Perforations	28 DHO, MG
3/29/99	5/14/99	11,500'	11,500'		
29 Hole Size	30 Casing & Tubing Size	31 Depth set	32 Depth Connect		
26"	20"	450'	1992 SX H. POG A C		
17-1/2"	13-3/8"	1502'	1994 SX POG B C		
14-1/4"	9-5/8"	10,154'	1995 SX POG C C		
	7"	10,420'			

VI. Well Test Data

33 Gas Delivery Date	34 Test Date	35 Test Length	36 Test Pressure	37 Gas Pressure
Start SWD 5/14/99				
38 Choke Size	39 Oil	40 Water	41 Gas	42 AOF
43 Test Method				

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

Signature: *James V. Moore*
Printed name: James V. Moore
Title: Sr. Production Clerk
Date: 11/23/99
Phone: 915/686-6612

OIL CONSERVATION DIVISION

Approved by: _____
Title: _____
Approval Date: _____

44 If this is a change of operator, fill in the OGRID number and name of the previous operator.
Signature: *James V. Moore*
Printed Name: James V. Moore, Operations Supt.
Title: _____
Date: 11/23/99
SANTA FE ENERGY RESOURCES, INC. (OGRID #0203051)

Well Name and Number: Old Ranch Canyon 7 Federal #5

Location: Sec. 7, T22S, R24E, Eddy County, New Mexico

Operator: Santa Fe Energy Resources

Drilling Contractor: McVay Drilling Company

The undersigned certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

Degrees @ Depth Degrees @ Depth Degrees @ Depth

¾	140	1 ½	5982
¾	287	1 ¼	6472
¾	490	1	6871
1	979	¾	7378
1 ½	1552	¾	7859
1 ¼	2038	1 ¼	8008
1 ½	2536	1 ¼	9021
1 ½	3029	¾	9501
1	3519	2 ¾	10130
1 ½	4020	1 ¼	11500
1 ¼	4513		
2	5012		
1 ½	5483		

Drilling Contractor: McVay Drilling Company

By: Jan Blaylock

Subscribed and sworn to before me this 17th **day of** May, 1999

Tina Fleming
Notary Public

My Commission Expires: 8-16-01

Lea County, New Mexico

Form 3160-4
(July 1992)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

N.M. Oil Cons. Division
SUBMIT IN DUPLICATE
811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995
SIGNATURE AND SERIAL NO.
NM-81219

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:		OIL WELL ☐	GAS WELL ☐	DRY ☐	Other <u>Salt Water Disposal</u>
b. TYPE OF COMPLETION:		NEW WELL ☒	WORK OVER ☐	DEEP-EN ☐	FLUG BACK ☐
				DIFF. PERMS ☐	Other ☐
2. NAME OF OPERATOR <u>Santa Fe Snyder Corp.</u>					
3. ADDRESS AND TELEPHONE NO <u>550 W. Texas, Suite 1330, Midland, TX 79701</u>					
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface <u>(F), 1315' FNL & 2315' FWL, Sec. 7, T-22S, R-24E</u> At total depth					

14. PERMIT NO.		DATE ISSUED	
12. COUNTY OR PARISH		13. STATE	
<u>Eddy Co.,</u>		<u>NM</u>	

15. DATE SPUNDED <u>3/19/99</u>	16. DATE T.D. REACHED <u>5/06/99</u>	17. DATE COMPL. (Ready to prod.) <u>5/14/99</u>	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* <u>3987' GR</u>	19. ELEV. CASINGHEAD
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20. TOTAL DEPTH, MD & TVD <u>11,500'</u>	21. PLUG, BACK T.D., MD & TVD <u>11,500'</u>	22. IF MULTIPLE COMPL., HOW MANY* <u>N/A</u>	23. INTERVALS DRILLED BY <u>ALL</u>	ROTARY TOOLS <u>ALL</u>	CABLE TOOLS <u>N/A</u>
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24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* <u>10.426' - 11,500' (Devonian/Montoya)</u>	25. WAS DIRECTIONAL SURVEY MADE <u>No</u>
--	--

26. TYPE ELECTRIC AND OTHER LOGS RUN <u>Platform Express 3 Detector Density/NGT; CNL; Azimuthal LL MCFL/Gamma Ray</u>	27. WAS WELL CORDED <u>No</u>
--	----------------------------------

28. CASING RECORD (Report all strings set in well)					
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
20" X-56	94.0#	490'	26"	1000 sx H. Poz C & C (circ'd)	None
13-3/8" J-55	61.0#	1602'	17-1/2"	1444 sx Poz & C (TOC 490' TS)	None
				1" w/ 650 sc C & Thixset	
9-5/8" L-80	40 & 43.5#	10,494'	12-1/4"	1270 sx & 1625 sx (2 stages)	(circ'd)

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
N/A					7"	10.426'	10.426'

31. PERFORATION RECORD (Interval, size and number)	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	<u>10.426' - 11,500'</u>	<u>30,000 gals 15% gelled HCl in</u>
		<u>4 stages w/ 32,000 gal 700 foam</u>
		<u>Acidized w/ 5000 gal 15% NeFe</u>

33. PRODUCTION							
DATE FIRST PRODUCTION <u>5/14/99</u>		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)				WELL STATUS (Producing or shut in) <u>Injecting</u>	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
FLOW TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORE)	

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

35. LIST OF ATTACHMENTS <u>C-104, Deviation Survey, Logs, Mechanical Integrity test chart</u>
--

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

SIGNED <u>Terrell McCallough</u>	TITLE <u>Sr. Production Clerk</u>	DATE <u>11/23/99</u>
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(See Instructions and Spaces for Additional Data on Reverse Side)