

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

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

2. NAME OF OPERATOR

Santa Fe Snyder Corp.

20305

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.)

At surface

(J) 1980' FSL & 1980' FEL
At proposed prod. zone

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

26 miles NE of Carlsbad, New Mexico

10. DISTANCE FROM PROPOSED*

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

1980'

16. NO. OF ACRES IN LEASE

360

17. NO. OF ACRES ASSIGNED

TO THIS WELL
32018. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH

12400'

20. ROTARY OR CABLE TOOLS

Rotary

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

3534' GR

22. APPROX. DATE WORK WILL START*

March 10, 2000

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	H-40 13 3/8"	48.0	450'	450 sx to circulate
11"	K-55 8 5/8"	24.0 & 32.0	3000'	850 sx to circulate
7 7/8"	N-80 & S-95 5 1/2"	17.0	12400'	1100 sx for TOC @ 6000'

WITNESS

We propose to drill to a depth sufficient to test the Morrow formation for gas. If productive, 5 1/2" casing will be cemented 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
- Exhibit C - Drilling Fluid Program
- Exhibit D - Auxiliary Equipment
- Exhibit E - Topo Map at Location

- Exhibit F - Plat Showing Existing Wells
- Exhibit G - Well Site Layout
- Surface Use and Operations Plan

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

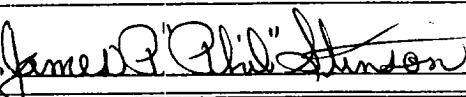
Bond Coverage: Blanket Bond

BLM Bond File No.: UT-0855

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



TITLE

Agent for Santa Fe Snyder Corp.

DATE

2-22-00

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

SALAHITY C. BRAY

TITLE

Assistant Field Manager,
Lands And Minerals

DATE

MAR 10 2000

*See Instructions On Reverse Side

APPROVED FOR LEASE

RECEIVED
2000 FEB 25 A 9 10
BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE
U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROSWELL, NEW MEXICO 87507
A.P. 100

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer 20, Aramco, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to 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	Pool Name No. Hackberry (Morrow)
Property Code	Property Name HACKBERRY 6 FEDERAL	Well Number 1
OGRD No. 20305	Operator Name SANTA FE SNYDER CORPORATION	Elevation 3534

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	6	19 S	31 E		1980	SOUTH	1980	EAST	EDDY

Bottom Hole Location If Different From Surface

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

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
35.94 ACRES LOT 5	39.85 ACRES	39.74 ACRES	39.63 ACRES
36.16 ACRES LOT 6	3533.0' 3534.1' 3531.9' 3531.5' DETAIL	SEE DETAIL	
36.31 ACRES LOT 7		1980'	
36.48 ACRES		1980'	

OPERATOR CERTIFICATION

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

James P. "Phil" Stinson
Signature

James P. "Phil" Stinson
Printed Name

Agent for Santa Fe Snyder
Title

2-22-2000
Date

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.

JANUARY 31, 2000

Date Surveyed DC

Signature & Seal of Professional Surveyor

RONALD G. EDSON
2/24/2000
100-11-0157

Certificate No. RONALD G. EDSON 3239
GARY EDSON 12641
JACOB McDONALD 12185

PROPOSED 5-M BOPE AND CHOKE ARRANGEMENT

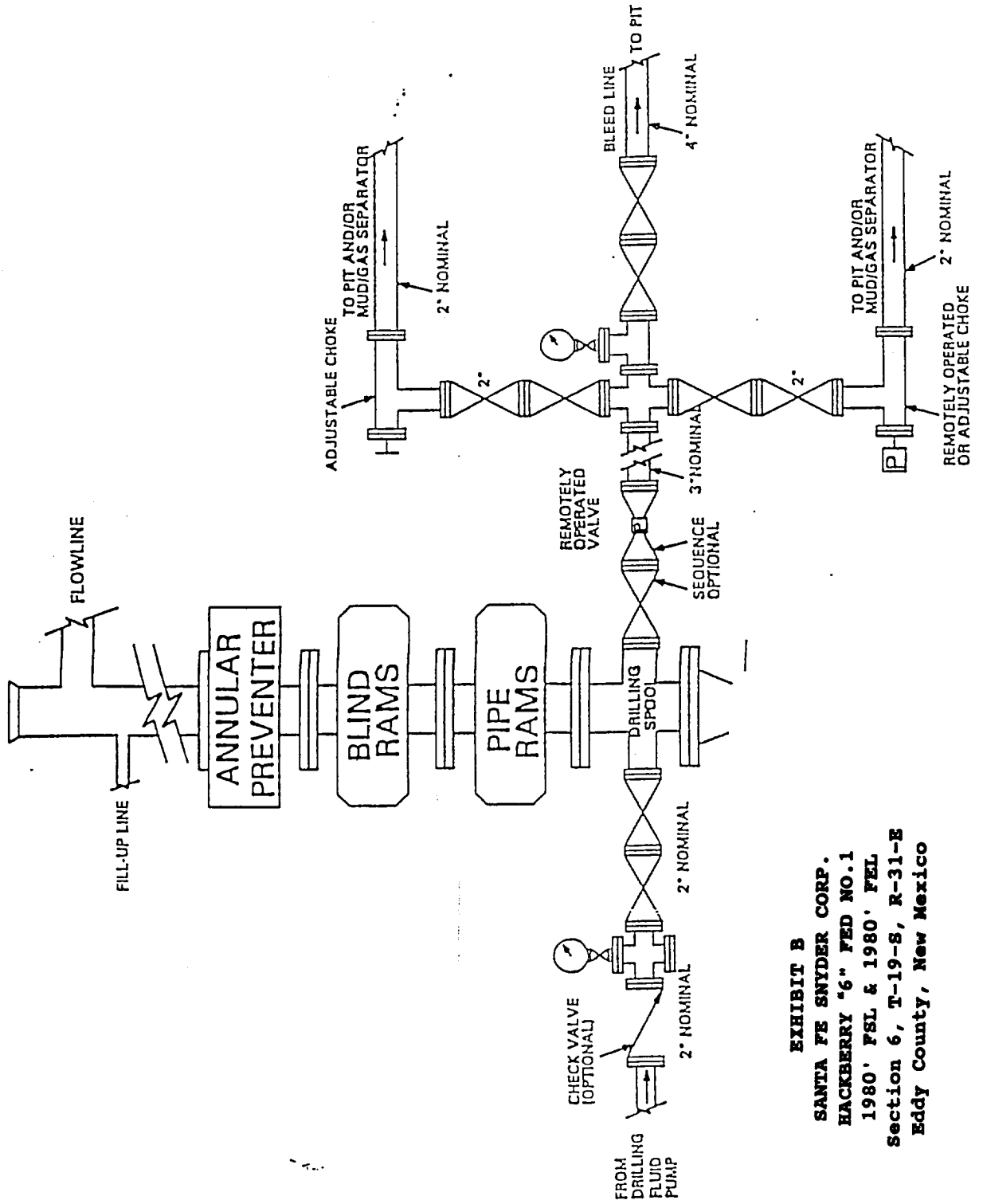


EXHIBIT B
SANTA FE SNYDER CORP.
HACKBERRY "6" FED NO.1
1980' FSL & 1980' FEL
Section 6, T-19-S, R-31-E
Eddy County, New Mexico

DRILLING PROGRAM

SANTA FE SNYDER CORP.

Hackberry "6" Fed No.1

In conjunction with Form 3160-3, Application to Drill the subject well, Santa Fe Snyder Corp. submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 1.

1. **Geologic Name of Surface Formation:** Alluvium
2. **Estimated Tops of Significant Geologic Markers:**

Rustler	620'
Yates	2090'
Delaware	4480'
Bone Spring	6000'
Wolfcamp	9770'
Strawn	10778'
Atoka	11076'
Morrow Carb.	11270'
Morrow Clastics	11670'
Total Depth	12400'

3. **The estimated depths at which water, oil or gas formations are expected:**

Water	None expected in area
Gas	Morrow @ 11800'- 12100'

4. **Proposed Casing Program:** See Form 3160-3 and Exhibit A
5. **Pressure Control Equipment:** See Exhibit B
6. **Drilling Fluid Program:** See Exhibit C
7. **Auxiliary Equipment:** A mud logging unit will be utilized to monitor penetration rate and hydrocarbon shows while drilling below 3000' to TD.
8. **Testing, Logging and Coring Program:**

Drill Stem Tests: (all DST's to be justified on the basis of valid show of oil or gas):

Morrow 11800'- 12100'

Logging:

Dual Laterolog W/MSFL and Gamma Ray	3000' - 12400'
Compensated Neutron/Litho-Density/Gamma Ray	3000' - 12400'
Compensated Neutron/Gamma Ray (thru csg)	Surface-3000'

Coring: No conventional cores are planned.

9. **Abnormal Conditions, Pressures, Temperatures & Potential Hazards:**

No abnormal pressures are anticipated. The estimated bottom hole temperature is 175° and the estimated bottom hole pressure is 5660 psi. No Hydrogen Sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major lost

