

RE-ENTRY PROGRAM

SANTA FE ENERGY OPERATING PARTNERS, L.P.

NAGOOLTEE PEAK "5" FEDERAL COM. NO.1

In conjunction with Form 3160-3, Application to Re-enter the subject well, Santa Fe Energy Operating Partners, L.P., submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 10.

1. **Geologic Name of Surface Formation:** Alluvium

2. **Estimated Tops of Significant Geologic Markers:**

Queen	348'
San Andres	1200'
Glorieta	2693'
Yeso	2918'
Bone Spring	3730'
Wolfcamp	7344'
Cisco	7935'
Canyon	8367'
Total Depth	8005'

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

Water	None expected in area
Oil/Gas/Water	Cisco/Canyon 8200'-8400'

4. **Proposed Casing Program:** See Form 3160-3 and Exhibit A.

5. **Pressure Control Equipment:** See Exhibit B.

6. **Drilling Fluid Program:** Will utilize a cut brine/Starch circulating system for the re-entry of this existing wellbore.

7. **Auxiliary Equipment:** None required for this re-entry

8. **Testing, Logging and Coring Program:**

We plan to re-enter this plugged and abandoned wellbore, clean out cement plugs to 7300', and side-track around a 4-1/2" casing stub. Drill new hole from 7000' to a T.D. of 8600' and complete in the Cisco-Canyon through perforations in new 5-1/2" casing at 8200'-8400'.

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

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature is 130 °F and the estimated bottom hole pressure is 2500 psi. A Blow Out Preventer System as outlined in Exhibit B will be utilized should the need arise to shut the well. The Cisco/Canyon zones are our primary objective. The zone is hydrogen sulfide productive in the area. Our plan is to have everyone on location trained in H₂S safety procedures and install monitors and Scott Air Packs at strategic locations around the location when we rig up. It is our understanding that H₂S is only detected in the area whenever the reservoir fluids are produced up the wellbore. Our circulating fluid hydrostatic head will prevent fluid entry due to the reservoir being overbalanced. We will have a BOP system installed and monitors operational during the re-entry. Due to the remote location of this drillsite, H₂S warning signs will be placed prior to entry of the drillsite, a public protection plan is not required for this location.