| Form 3160-3 (November 1983) (ormeriy 9-331C) | ARTE DEPARTMEN BUREAU O | L CONS. COMM R DD REDNMA 88210 IT OF THE INTE F LAND MANAGEME | | uctions on side) | | 24713 No. 1004-0136 ()h 31, 1985 |
|---|--|--|-------------------------|-------------------------------------|--|--|
| APPLICATIC | IN FOR PERMIT | TO DRILL, DEEP | EN OR PLUG | RACK | 6. IF INDIAN. ALLOTTE | B OR TRIPE NAME |
| b. TYPE OF WELL | | DEEPEN | PLUG BA | | C. C. D. | |
| WELL AA | WELL OTHER | | SINGLE MULT | IPLE | S. FARM OR LEADE NA | |
| 2. NAME OF OPERATOR | | Nagooltee Peak 5 Fed | | | | |
| 3. ADDEESS OF OPERATOR | Fe Energy Open | 9. WELL NO. | | | | |
| 550 k | . Texas, Suite | 1 10. FIELD AND POOL, OR WILDCAT | | | | |
| At surface | Report location clearly an | d in accordance with any | State requirements.") | | | |
| At proposed prod. zo | | Indian Basin (Upper Penn) 11. SBC., T., R., M., OR BLK. AND SURVEY OR AREA | | | | |
| 14. DISTANCE IN MILES | AND DIRECTION FROM NE | Sec. 5, T-229 | 5, R-24E | | | |
| 17 miles W | est of Carlsbad | , New Mexico | | | Eddy | |
| 15. DIBTANCE FROM PROI LOCATION TO NEAREN PROPERTY OR LEASE (Also to dearest dr | T LINE, FT. lg. unit line, if any; | 1633' | 0. OF ACRES IN LEASE | 17. NO. C TO TI | ACRES ABSIGNED HIS WELL 320 | NM |
| 15. DISTANCE FROM PROFOSED LOCATION® TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | | 2835' | ROPOSED DEPTH 8600 ' | 20. ROTABY OR CABLE TOOLS Rotary | | |
| 21. ELEVATIONS (Show w) | | | | | 22. APPROX. DATE WO | LE WILL START* |
| 4280.3' (| GR | | | | ASAP | |
| -0. | ACTUAL | TARRASED CASING AN | D CEMENTING PROGRA | АМ | | |
| SIZE OF HOLE | SIZE OF CASING | | | | | |
| 17-1/2" | 13-3/8" | | 310' | Circ w | | |
| 11" | 8-5/8" | | 2550' Cir | | <u>rc w/ 845 sx - in place</u> rc w/ 1115 sx - in place | |
| 7-7/8" | 5-1/2" | 15.5 & 17.0 | 8600' | | C @ 6000' | prace |

Santa Fe Energy Operating Partners, L.P. proposes to rig up a drilling rig to re-enter the Discovery Operating well, the Walt Canyon 5 Federal No. 1, which was plugged and abandoned on June 7, 1984. We plan to drill out plugs to 7300' and sidetrack around a 4-1/2" casing stub at 7266'-8005'. Our proposed total depth is 8600' and will be completed per the attached procedure.

Mud Program: Will utilize a fresh water mud system containing Drispac to control the water loss.

BOP Program: BOP's and Hydril will be installed at the beginning of the re-entry and will be tested daily.

OTD- SNIN

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive sone 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.

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| SIGNED Daneel Ashert | Sr. Drilling Engineer | |
|--|-------------------------------|--------------------|
| (This space for Federal or State office use) | TITLE S1. Drilling Engineer | DATE JULY 27, 1993 |
| PERMIT NO. | APPROVAL DATE | |
| APPROVED BY A Scott POWLLS | AREA MANAGER | 11-4-93 |
| APPROVAL SUBJECT TO * : | | DATE |
| GENERAL REQUIREMENTS AND | | |
| SPECIAL STIPULATIONS | Instructions On Provide St. I | |

ATTACHED JEE INSTUCTIONS ON REVEISE SIZE Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.