

APPLICATION FOR DRILLING
SANTA FE ENERGY OPERATING PARTNERS, L.P.
RIGHT HAND CANYON FEDERAL NO. 1

In conjunction with Form 3160-3, Application to Drill subject well, Santa Fe Energy Operating Partner, L.P., submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is alluvium.
2. The estimated tops of geologic markers are as follows:

Glorieta	2,800'
Bone Spring	3,800'
Wolfcamp Shale	7,200'
Canyon/Cisco	8,150'
Strawn	8,900'
Atoka	9,300'
Morrow	9,550'
Middle Morrow	9,650'
Miss Barnett Shale	9,800'
Total Depth	9,850'

3. The estimated depth at which water, oil, or gas formations are expected to be encountered:

Water	Water is not expected to be encountered	
Oil or Gas	Canyon/Cisco	8150' - 8900'
	Morrow	9500' - 9800'

4. Proposed Casing Program: See Form 3160-3 and Exhibit A.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
6. Drilling Fluid Program: See Exhibit C.
7. Auxiliary Equipment: See Exhibit D.
8. Testing, Logging and Coring Programs:

Drill Stem Tests (all DST's to be justified by a valid show of oil or gas):

Morrow	9,650' - 9,725'
Morrow	9,725' - 9,800'