Form : 1:0-3 (July 1992) [01-07K	P.D.SACED SID U( ISTNEWIE STORE) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT					OMB NO. 1004-0136 OMB NO. 1004-0136 DExpires: February 28, 1995 5. LEASE DESIGNATION AND BERIAL NO.	
		. IF INDIAN, ALLOTT	TR OP TRIBE NAME				
APPL 1a. TYPE OF WORK	ICATION FOR P	-					
					7. UNIT AORDEMENT NAME		
b. TIPE OF WELL			1. 8	25 E 1			
OIL OAS WELL OTHER ZEAR						8. FARM OR LEASE NAME, WELL NO.	
2. NAME OF OPERATOR						Farewell "18" Fed Com #1	
Santa Fe	Energy Operatin	9. API WELL NO.					
3. ADDRESS AND TELEPHONE NO.						30-015-20303	
550 W. Texas, Suite 1330, Midland, Texas 79761 (915) <del>682-6373</del>						10. FIELD AND POOL OF WILDCAT	
4. LOCATION OF WELL (E At surface	Report location clearly and	Wildeat (LALCEI/MORNOW)					
At proposed prod. zon		11. SHC., T., B., M., OR AND SURVEY OR A Sec 18, T-22-S,	REA 70000				
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE					12. COUNTY OR PARISH	13. STATE	
4 miles West of Carlsbad, New Mexico					Eddy	New Mexico	
<ol> <li>DISTANCE FROM PROPOSED<sup>®</sup></li> <li>LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.</li> <li>(Also to Learest drig, unit line, if any)</li> </ol>			320 <b>*</b>		ACEEE ABSIGNED HIS WELL 320		
15. DISTANCE FROM PROFOSED LOCATION <sup>®</sup> TO NEAREST WELL, DRILLING, COMPLETED, or applied for, on this lease, ft.					RY OR CABLE TOOLS		
			11800' Ro		otary		
21. ELEVATIONS (Show whether DF. RT. GR. etc.) Carisbad Controllod Water Basin						22. APPROX. DATE WO	RE WILL START*
	Cari	insday Controlloc Water Basin			Dec 27, 1994		
23. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOO	Г   SET	TING DEPTH		QUANTITY OF CEMEN	T Pat Th 1
17-1/2"	H-40 13-3/8"	48.0		700'	750 sx to circulate 1-20-96		
12-1/4"	K-55 8-5/8"	32.0	2	600'			
7-7/8"	K-55&N-80 5-1/	2" 17.0	11	800'	TOC @		API

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

\* 160 acres NM 83084, 160 acres Nm 064528

Exhibit F - Plat showing Existing Wells Exhibit F (A) - Plat of Location Exhibit G - Well Site Layout Surface Use and Operations Plan

## **Approval Subject to** Ganaral Requirements and Special Stipulations

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and 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.

BIGNED PMER P. Philitunson	TITLEAgent for Santa Fe En	ergy DATE 11-23-94
(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 v	which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:	A ton	
kl () at a	acting a and the	1.1.
APPROVED BY DI COT Jours	_ TITLE	DATE 12 21 94
*See	Instructions On Reverse Side	

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 master within its jurisdiction.