Santa Fe Pacific Exploration Company Managing General Partner RECEIVED

September 10, 1990

SEP 13 '90

O. C. D. MRTESIA, OFFICE

Oil Conservation Division District II P. O. Drawer DD Artesia, NM 88210

Attention: Mr. Mike Williams

Re: Recompletion Permit Walker No. 1 Carlsbad, South (Morrow) I-21-22S-27E, Eddy County, NM

Dear Mr. Williams:

Enclosed please find our Form C-101, "Application for Permit to Plug Back" the Walker No. 1 to the Strawn formation (10,526-38'). We have also enclosed a plat and wellbore diagram for your review.

The Morrow formation (11,514-11,835') is depleted, producing less than 100 MCF per month. This zone has produced 1.1 BCF since its initial completion in November 1983. Our plans are to set a CIBP at 11,500' and cap with 50' of cement. We will then perforate and cement squeeze the 5 1/2" casing at 9118' to eliminate the pressure that is currently building between the 5 1/2" and 9 5/8" annulus. The 5 1/2" casing will be pressure tested after drilling out the retainer and cement.

The Strawn formation will be perforated from 10,528-38' with a 4" casing gun. The Strawn could have a maximum reservoir pressure of 5300 psi (9.7 ppg EMW), with an initial rate of 500 MCFD.

Please contact me (915/687-3551) if you have any questions or need additional information.

Sincerely,

SANTA FE ENERGY OPERATING PARTNERS, L.P. By Santa Fe Pacific Exploration Company as Managing General Partner

By C. Whent M. kler

C. Robert Winkler, III Sr. Production Engineer

CRW:dw-2321

Enclosure

Permian Basin District 500 W. Illinois Suite 500 Midland, Texas 79701 915/687-3551