

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

|                        |                                     |
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RECEIVED BY  
SANTA FE, NEW MEXICO 87501  
SEP 10 1986  
O. C. D.

Form C-101  
Revised 10-1-78  
30-015-25653  
5A. Indicate Type of Lease  
STATE ☒ FEE ☐

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|  |                               |   |
|--|-------------------------------|---|
| 1a. Type of Work<br>b. Type of Well<br>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/><br>DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/><br>SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |                               | 7. Unit Agreement Name                                |
| 2. Name of Operator<br>Santa Fe Energy Operating Partners, L.P.  |                               | 8. Farm or Lease Name<br>H. B. State                  |
| 3. Address of Operator<br>500 W. Illinois, Suite 500, Midland, TX 79701  |                               | 9. Well No.<br>1                                      |
| 4. Location of Well<br>UNIT LETTER E LOCATED 1980 FEET FROM THE North LINE<br>AND 660 FEET FROM THE West LINE OF SEC. 2 TWP. 24S RGE. 29E NMPM   |                               | 10. Field and Pool, or Wildcat<br>Undes. Cedar Canyon |
| 11. Elevations (Show whether DE, RT, etc.)<br>3066.5 G.L.  |                               | 12. County<br>Eddy                                    |
| 21A. Kind & Status Plug. Bond<br>Blanket-current <input checked="" type="checkbox"/>   | 19. Proposed Depth<br>13,900' | 19A. Formation<br>Morrow                              |
| 21B. Drilling Contractor<br>To be determined   | 20. Rotary or C.T.<br>Rotary  |   |
| 22. Approx. Date Work will start<br>Oct. 15, 1986  |                               |   |

23.

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT  | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|------------------|---------------|-----------------|----------|
| 17 1/2       | 13 3/8         | 48.0             | 300 400       | 316             | Surface  |
| 12 1/4       | 10 3/4         | 40.5 & 45.5      | 3100          | 695             | Surface  |
| 9 1/2        | 7 5/8          | 29.7, 33.7, 39.0 | 10250         | 410             | 8250     |
| 6 1/2        | 5              | 15.5             | 9750-13900    | 315             | 9750     |

Move in & rig up rotary tools. Drill 17 1/2" hole to 300'. Run 13 3/8" casing & cement with 416 cu.ft. Class C Neat containing 2% CaCl<sub>2</sub>. Wait on cement till 500 psi compressive strength is obtained. Nipple up diverter system consisting of 1 bag type preventer. Test casing to 600 psi. Drill 12 1/4" hole to 3100'. Run 10 3/4" casing. Cement with 837 cu.ft. Class C cement containing 4% gel and 0.25% floccle per sack, followed by 330 cu.ft. Class C Neat containing 2% CaCl<sub>2</sub>. Wait on cement till 500 psi compressive strength obtained. Nipple up triple ram BOP with hydrill. Pressure test casing to 1500 psi. Pressure test BOP to 1500 psi. Drill 9 1/2" hole to 10,250'. Log. Run 7 5/8" casing. Cement with 525 cu.ft. 50/50 poz mix A containing 2% gel, 6# salt per sack & 0.3% friction reducer. Test BOP stack to 10000 psi. Test casing to 4000 psi. Drill shoe & 10' of formation. Test formation to 13.0 ppg mud weight equivalent. Drill 6 1/2" hole to 13,900'. Log. Either P&A or run 5" casing & cement with 340 cu.ft. Class H containing 0.6% friction reducer, 0.4% fluid loss additive, 5# KCl per sack.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Mike Burton Mike Burton Title Sr. Drilling Engineer Date 9-8-86

(This space for State Use)

Original Signed By  
Las A. Clements

SEP 12 1986

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

Supervisor District 11

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 3-18-87  
UNLESS DRILLING UNDERWAY

**MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

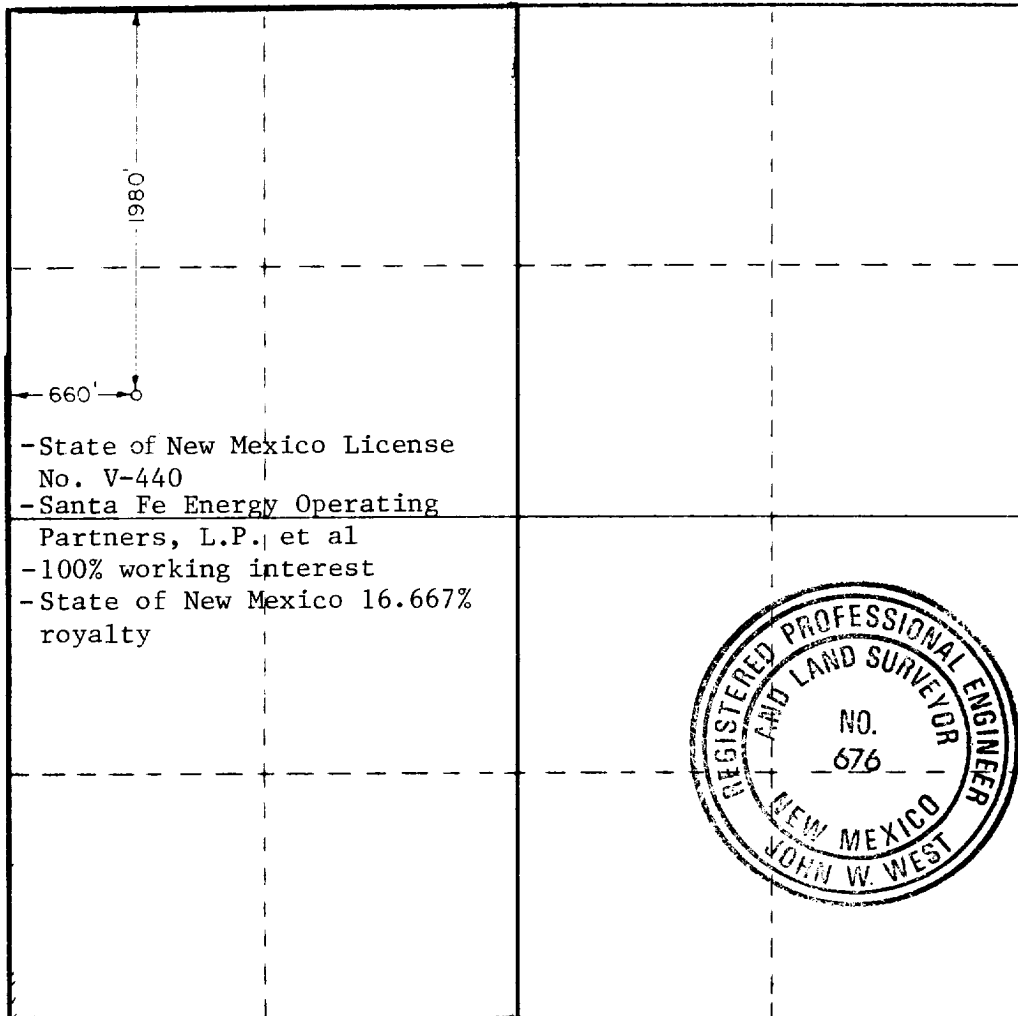
|   |                                      |                             |                                    |                       |  |
|---|--------------------------------------|-----------------------------|------------------------------------|-----------------------|--|
| Operator<br><b>SANTA FE ENERGY OPERATING PARTNERS L.P.</b>  |                                      |                             | Lease<br><b>H.B. STATE</b>         |                       | Well No.<br><b>1</b>                   |
| Unit Letter<br><b>E</b>   | Section<br><b>2</b>                  | Township<br><b>24 SOUTH</b> | Range<br><b>29 EAST</b>            | County<br><b>EDDY</b> |  |
| Actual Footage Location of Well:<br><b>1980</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line |                                      |                             |                                    |                       |  |
| Ground Level Elev.<br><b>3066.5</b>   | Producing Formation<br><b>Morrow</b> |                             | Pool<br><b>Undes. Cedar Canyon</b> |                       | Dedicated Acreage:<br><b>320</b> Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) one lease - Santa Fe Energy Operating Partners, L.P.

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Mike Burton*

Name

**Mike Burton**

Position

**Sr. Drilling Engineer**

Company **Santa Fe Energy Operating Partners, L.P.**

Date

**9-8-86**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

**August 28, 1986**

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **JOHN W. WEST, 676**  
**RONALD J. EIDSON, 3239**