

APPLICATION FOR DRILLING
SANTA FE ENERGY COMPANY
H. B. 3 Federal No. 1

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

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

Delaware Lamar Lime	3050'
Delaware Sands	3100'
Bone Springs	6900'
Wolfcamp	10150'
Strawn	12185'
Atoka Clastics	12460'
Lower Atoka	12610'
Morrow Clastics	13340'
Lower Morrow Clastics	13800'
TD	14100'

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	Wolfcamp 10,150-12,185'
	Strawn 12,185-12,460'
	Atoka 12,460-13,340'
	Morrow 13,340-14,100'

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. Auxilliary 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):

Wolfcamp	10150-12185'
Strawn	12185-12460'
Atoka	12460-13340'
Morrow	13340-14100'