

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> RECEIVED JUN 28 '89 O. C. D. OFFICE </div>		7. UNIT AGREEMENT NAME	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. FARM OR LEASE NAME Salt Draw 28 Federal	
2. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P.				9. WELL NO. 1	
3. ADDRESS OF OPERATOR 500 W. Illinois, Suite 500, Midland, TX 79701				10. FIELD AND POOL, OR WILDCAT Und. Malaga Morrow	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1980' FNL & 660' FEL, Sec. 28, T-24S, R-28E At proposed prod. zone Same				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 28, T-24S, R-28E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2.5 miles south of Malaga				12. COUNTY OR PARISH Eddy	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'		16. NO. OF ACRES IN LEASE 220-920 (535)		17. NO. OF ACRES ASSIGNED TO THIS WELL 320	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		19. PROPOSED DEPTH 13,600'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 2986.2' GL				22. APPROX. DATE WORK WILL START* June 20, 1989	

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20"	106.5	600'	1175 sx - <u>circ to surface</u>
17 1/2"	13 3/8"	54.5	2600'	2050 sx - <u>circ to surface</u>
12 1/4"	9 5/8"	40.0 & 43.5	10100'	1120 sx
8 1/2"	7"	26.0 & 29.0	12000'	450 sx
6"	4 1/2"	11.6	11500-13600'	200 sx

Blow out preventer program to consist of 1 annular preventer while drilling 17 1/2" hole; 1 double ram preventer with hydril while drilling 12 1/4" hole: and 1 triple ram preventer with hydril while drilling 8 1/2" and 6" holes. See operations plan for further details.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

POST ID-1
NL & API
6-30-89

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. 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.

24. 1207
SIGNED Michael R. Burton TITLE District Drilling Engineer DATE 5-19-89

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
Orig. Signed By: Richard L. Angus AREA MANAGER
 _____ CARLSBAD RESOURCE AREA
 APPROVED BY _____ TITLE _____ DATE *6.26.89*
 CONDITIONS OF APPROVAL, IF ANY: _____

***See Instructions On Reverse Side**