SANTA FE ENERGY COMPANY OPERATIONS PLAN Malaga 1 Fed Com No. 1

- 1. Drill a 17 1/2" hole to 450'.
- 2. Run 13 3/8" 48.0 ppf H-40 casing. Cement with sufficient Class C cement containing 4% gel and 1/4# cellophane flakes to circulate to surface when followed by 200 sacks Class C containing 2% Calcium Chloride. Run Texas Pattern shoe on bottom and float collar one joint above shoe. Run centralizers on every other joint above shoe. Apply thread lock to bottom two joints, float collar, and guide shoe.
- 3. Wait on cement six hours.
- 4. Cut off casing. Nipple up and install BOP system.
- 5. Test casing to 600 psi after cement has attained 500 psi compressive strength.
- 6. Drill a 12 1/4" hole to 2700'.
- 7. Run 9 5/8" 40.0# K-55 casing. Cement with sufficient lite weight cement followed by 200 sacks class C neat to circulate cement to surface. Centralize bottom 1000' of casing with one centralizer on every third joint above shoe. Run guide shoe on bottom and float collar two joints above shoe. Apply thread lock to bottom two joints, float collar, and shoe.
- 8. Wait on cement six hours.
- 9. Cut off 13 3/8" casing head. Install 9 5/8" casing head. Install BOP stack and choke manifold.
- 10. Test BOP stack and choke manifold to 5000 psi. Test casing to 1500 psi.
- 11. Drill 8 1/2" hole to first good lime section after topping wolfcamp. This is anticipated to be at 10600'±.
- 12. Run Logs.
- 13. Run 7" 23.0# S-95, 26.0# S-95, and 29.0# N-80 casing. Cement with sufficient 50/50 Class H Poz cement containing 0.6% fluid loss reducer 6#/sk salt per sack to fill to 8000'. Run guide shoe on bottom and float collar two joints above shoe. Centralize bottom 1000' with centralizers placed on every other joint above shoe.
- 14. Nipple down BOP. Set slips. Cut off casing. Nipple up BOP.
- 15. Test BOP and choke manifold to 5000 psi.

- ...