DRILLING PROGRAM

SANTA FE ENERGY OPERATING PARTNERS, L.P. James Ranch No.56 Section 17, T-23-S,R-31-E

Eddy County, New Mexico

In conjunction with Form 3160-3, Application to Drill the subject well, Santa Fe Energy Operating Partners, L.P., submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 10.

- 1. Geologic Name of Surface Formation: Alluvium
- 2. Estimated Tops of Significant Geologic Markers:

750 <i>°</i>
3840′
4300′
5070 <i>°</i>
7790′
7950′
8100′

3. The estimated depths at which water, oil, or gas formations are expected:

None expected in area Water Lower Brushy Canyon @ 7790' Oil

See Form 3160-3 and Exhibit A. 4. Proposed Casing Program:

See Exhibit B. 5. Pressure Control Equipment:

See Exhibit C. 6. Drilling Fluid Program:

- 7. Auxiliary Equipment: A mud logging unit will be utilized to monitor penetration rate and hydrocarbon shows while drilling below the intermediate casing at 4200'.
- 8. Testing, Logging, and Coring Program:

Drill Stem Tests: None Planned