

**NM OIL CONS. COMMISSION**  
**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

**SUBMIT IN DUPLICATE\***  
(Other instructions on reverse side)

**FORM APPROVED**  
OMB NO. 1004-0136  
Expires: February 28, 1995

*0157*

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK

DRILL

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

Santa Fe Energy Operating Partners, L.P.

*20290*

3. ADDRESS AND TELEPHONE NO.

550 W. Texas, Suite 1330, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

(D) 660 FNL, 660' FWL, Sec 34, T-23-S,R-31-E  
At proposed prod. zone

*MAY 06 '94*

*UT. 0*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

21 miles East of Loving, New Mexico

*O. C. D.*

*ARTESIA, OFFICE*

10. 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

640

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

1320'

19. PROPOSED DEPTH

8200'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3416 GR

22. APPROX. DATE WORK WILL START\*

4-25-94

**PROPOSED CASING AND CEMENTING PROGRAM**

*3111 P Potash*

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	H-40 13-3/8"	48.0	600'	600 sx to <u>circulate</u>
12-1/4"	K-55 8-5/8"	32.0	4200'	2000 sx to <u>circulate</u>
7-7/8"	K-55 5-1/2"	15.50 & 17.0	8200'	<u>Tie back to 4000'</u>

We propose to drill to a depth sufficient to test the Delaware formation for oil. If productive 5-1/2" casing will be cemented at TD. If non-productive, the well will be plugged in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order No. 1 are outlined in the following attachments.

- Drilling Program
- Exhibit A - Operations Plan
- Exhibit B - BOP and Choke Diagram
- Exhibit C - Drilling Fluid Program
- Exhibit D - Auxiliary Equipment

- Exhibit E - Topo Map of Location
- Exhibit F - Map Showing Existing Wells
- Exhibit F (A) Plat of Location
- Exhibit G - Well Site Layout
- Surface Use and Operations Plan

*Post ID-1  
5-13-94  
New loc + API*

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

SIGNED

*Daniel Roberts*

TITLE Division Drilling Engineer

DATE March 18, 1994

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_

APPROVAL DATE \_\_\_\_\_

**APPROVAL SUBJECT TO**  
**GENERAL REQUIREMENTS AND**  
**SPECIAL STIPULATIONS**  
**ATTACHED**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

*Acting*

APPROVED BY

*Patricia E. McLean*

TITLE State Director

DATE APR 26 1994

**\*See Instructions On Reverse Side**

**DISTRICT I**  
 P. O. Box 1980  
 Hobbs, NM 88240

**OIL CONSERVATION DIVISION**  
 P. O. Box 2088  
 Santa Fe, New Mexico 87504-2088

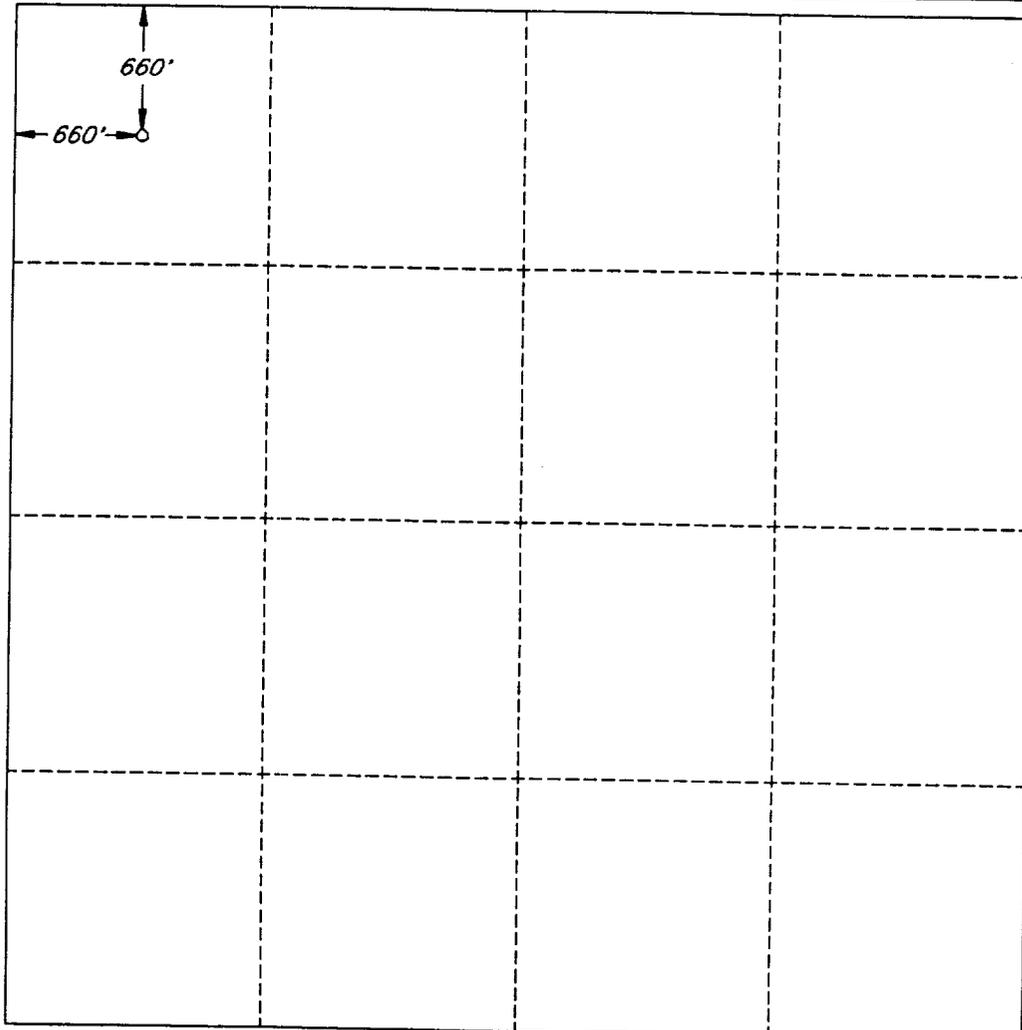
**DISTRICT II**  
 P. O. Drawer DD  
 Artesia, NM 88210

**DISTRICT III**  
 1000 Rio Brazos Rd  
 Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All distances must be from the outer boundaries of the section.

Operator <b>SANTA FE ENERGY OPER. PART., L.P.</b>			Lease <b>STERLING SILVER '34' FED.</b>		Well No. <b>2</b>
Unit Letter <b>D</b>	Section <b>34</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST, N.M.P.M.</b>	County <b>EDDY</b>	
Actual Footage Location of Well					
<b>660</b> feet from the <b>NORTH</b> line and		<b>660</b> feet from the <b>WEST</b> line			
Ground Level Elev. <b>3416'</b>	Producing Formation <b>Delaware</b>	Pool <b>INGLE WELLS</b> <del>Sand Dunes, West (Delaware)</del>	40 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?
  - Yes  No If answer is "yes", type of consolidation \_\_\_\_\_
  - If the answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use the reverse side of this form if necessary.) \_\_\_\_\_
  - 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 interest, has been approved by the division.



**OPERATOR CERTIFICATION**

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

Signature  
*Darrell Roberts*

Printed Name  
**Darrell Roberts**

Position  
**Division Drilling Engineer**

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

Date  
**March 18, 1994**

**SURVEYOR CERTIFICATION**

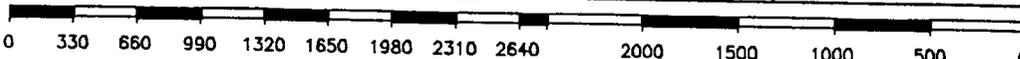
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
**JANUARY 21, 1994**

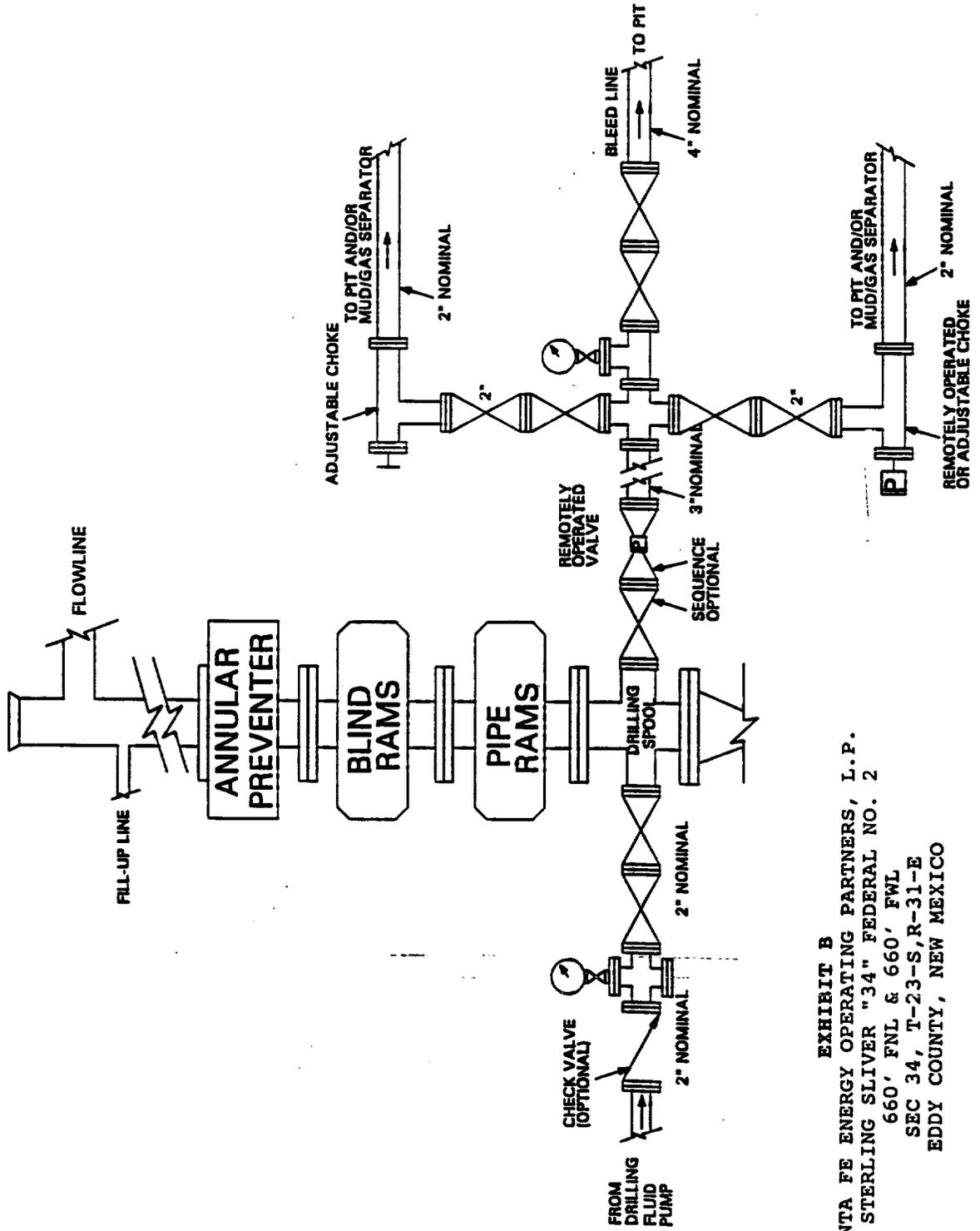
Signature and Seal of Professional Surveyor  
**V. LYNN BEZNER**  
 NO. 7920

Certified by the STATE OF NEW MEXICO  
**V. L. BEZNER, P.S. #7920**

cls / 31255 / 48SE



# PROPOSED 3-M BOPE AND CHOKING ARRANGEMENT



**EXHIBIT B**  
 SANTA FE ENERGY OPERATING PARTNERS, L.P.  
 STERLING SLIVER "34" FEDERAL NO. 2  
 660' FNL & 660' FWL  
 SEC 34, T-23-S, R-31-E  
 EDDY COUNTY, NEW MEXICO