SUBMIT AN INCILICATE. Form-3160-3 (Other instruction UMB NO. 1004-0136 NM OIL CONS. COMM JONIATES reverse side, Expires: February 28, 1995 DRAWER DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO MATERIA, NALUREZIO F LAND MANAGEMENT NM-55142 6. IF INDIAN, ALLOTTER OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL OR DEEPEN 1s. TYPE OF WORK 7. UNIT AGREEMENT NAME DRILL 🖾 DEEPEN [ b. TYPE OF WELL WELL X WELL 8. FARM OR LEASE NAME, WELL NO. Sterling Silver "3" 2. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P. 3. ADDRESS AND TELEPHONE NO. 550 W. Texas, Suite 1330, Midland, Texas 79701 (915) 687-3551 and Dunes W. (Delaware) 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*) 11. SEC., T., R., M., OR BLE. (M) 660' FSL and 710' FWL Sec 3, T-24-S, R-31-E At proposed prod. zone Sec 3, T-24-S, R-31-E14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE APTESIA, OFFICE 12. COUNTY OR PARISH | 13. STATE 19 miles East of Loving, New Mexico New Mexico Eddv 10. DISTANCE FROM PROPOSED\*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 320 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATIONS
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 1320' 8300 Rotary 22. APPROX. DATE WORK WILL START\* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3435' GR November 1, 1994 PROPOSED CASING AND CEMENTING PROGRAM R-111-P Potash QUANTITY OF CEMENT WEIGHT PER FOOT SETTING DEPTH SIZE OF HOLE GRADE, SIZE OF CASING 17-1/2" 4001 400 sx to circulate H - 4013-3/8" 48.0 11" 8-5/8" 4200**'** 1200 sx to circulate K - 5532.0 To tie back to 4000' & 17.0 8300' 7-7/8" K - 55We propose to drill to a depth sufficient to test the Delaware formation for oil. If productive, 5-1/2" casing will be run to TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order No. 1 are outlined in the following attachments: Exhibit E - Topo Map of Location New Use + APAT

Exhibit F - Plat 0 Drilling Program Exhibit A - Operations Plan Exhibit F - Plat Showing Existing Wells Exhibit B - BOP and Choke Manifold Exhibit C - Drilling Fluid Program Exhibit F(A) - Plat of Location Exhibit G - Well Site Layout Exhibit D - Auxiliary Equipment Surface Use and Operations Plan 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. TITLE Agent for Santa Fe Energy DATE 9-21-94 APPROVAL SUBJECT TO . (This space for Federal or State office use) GENERAL REDUIREMENTS AND PERMIT NO. 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 STIRULATIONS ereon. ATTACHED CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

DISTRICT I P. O. Box 1980 Hobbs, NM 88241-1980

State of New Mexico
Energy Minerals, and Natural Resources Department

Form C-102 Revised 02-10-94

Instructions on back

Submit to the Appropriate District Office State Lease — 4 copies Fee Lease — 3 copies

## DISTRICT II P. O. Drawer DD Artesia, NM 88211-0719

<u>DISTRICT III</u> 1000 Rio Brazos Rd. Aztec, NM 87410

## OIL CONSERVATION DIVISION P. 0. Box 2088 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

JOB #35241 / 23 NE / V.H.B.

DISTRICT IV
P. O. Box 2088
Sonta Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | 2 Pool Code | 3 Pool Name | 53815 | Sand Dunes West (Delaway)

			53815					Sand Du						
* Property Coo	le	5 Property Name							1	Well Number				
<u>M</u>		STERLING SILVER "3" FEDERAL										4	<u> </u>	
'OGRID No.		Operator Name     SANTA EE ENEDGY FIDED DADT I D										9 Elevation		
		SANTA FE ENERGY OPER, PART, L.P.										3430	3435'	
" SURFACE LOCATION														
UL or lot no.	Section	Township		Ran	=	Lot Ida	Feet		1	line	Feet from the		County	
M	3	24 SOUTH	31 E	EAST,	N.M.P.M.			660,	SOUTH		710'	WEST	EDDY	
		"BOTT	OM H	IOLE	LOCAT	ON IF	' DI	FFERE	NT FROM	S	JRFACE			
UL or lot no.	Section	Township		Ran	Ec	Lot Ida	Feet	from the	North/South	line	Feet from the	East/West line	County	
M 12 Dedicated A	7700 13 JO	int or Infill	14 Cons	eolidati	ion Code	15 Order	No.							
40			332			0.00								
	NO ALI	OWARLE W	ELL BI	E ASS	SIGNED TO	O THIS	СОМ	PLETION	I UNTIL AL	I. IN	TERESTS HA	VE BEEN		
NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION														
16					·	-		!		$\neg \top$	ΛΡΕΡΑΤΛΙ	R CERTIFICA	ATTON	
											•	ify that the infi		
											contained here	ein is true and	complete	
		İ			į							my knowledge a	nd belief.	
		į			İ			i		1	Signature	Flul Ltu	_	
					1			!		18	Printed Name	JANE SIM	sou	
		!			!			-				(Phil) Sti	nson	
	<b></b>	!			!			!			Title Agent for	Santa Fe	Fnerav	
											Date	Danca re	Lifer By	
		i I			į			į į			9-21-	.94		
		 			!			!			CHDVEVAL	) (TED TOTAL)	TTON	
		į Į										R CERTIFICA		
		i i			i			į i			l hereby co location sho	ertify that th wn on this pi	ne well at was	
<b> </b>		-+			+			<del> </del>			plotted from	field notes of	actual "	
		) 			!			!			my supervi	de by me or sion, and th	unaer at the	
		!						1			same is true best of my	e and correct	to the	
					į			į			Desi of my	Dener.		
		i 1			i			İ			Date of Survey	COLUMN .		
		1			1			1			SEPSE Signature and	MHER 1 199	4	
					<del></del>			! <del>!</del>			Professional S	ereson.	<b>)</b>	
	1111				1			!			# 1 × 1	LYNN *	A	
		Si			i			!			И в	EZNER *	A	
710'-	•	Ni -			1			i i			1/25/200	7929	A	
	<b>†</b>				!			! !			1 de la constante de la consta	en lite	Gos.	
6	60'				!			! !			Cerufica (No.	LANDS	WII	
Harrison.	$1, \dots, $	$\leq$			! !			! <b>↓</b>			V. L. BESNU	F.S.	<b>#</b> 7920	

