

OIL CONSERVATION DIV
811 S. 1st ST.
ARTESIAN IM 88210-2834
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIP
(Other instructive
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Santa Fe Energy Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

550 W. Texas, Suite 1330; Midland, Texas 79701 (915) 682-6573

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

At surface

(J) 1815' FSL & 1980' FEL

At proposed prod. zone

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

4 miles East of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1815'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1004'

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

2997' GR

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	J-55	8 5/8"	24.0	550'	225 sx to circulate
7 7/8"	K-55	5 1/2"	15.5	6700'	1050 sx to circulate

We 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:

Drilling Program

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

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

Santa Fe Energy Resources, Inc. accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Bond Coverage: Blanket Bond

BLM Bond File No.: MT 0750

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.

24.

SIGNED

James P. "Phil" Stinson

TITLE

Agent for Santa Fe Energy

DATE

2-12-96

(This space for Federal or State office use)

Federal Requirements and

Special Stipulations

PERMIT NO.

APPROVAL DATE

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:

APPROVED (ORIG. SGD.) RICHARD L. MANUS

TITLE

AREA MANAGER

DATE

APR 01 1996

*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

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

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

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

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

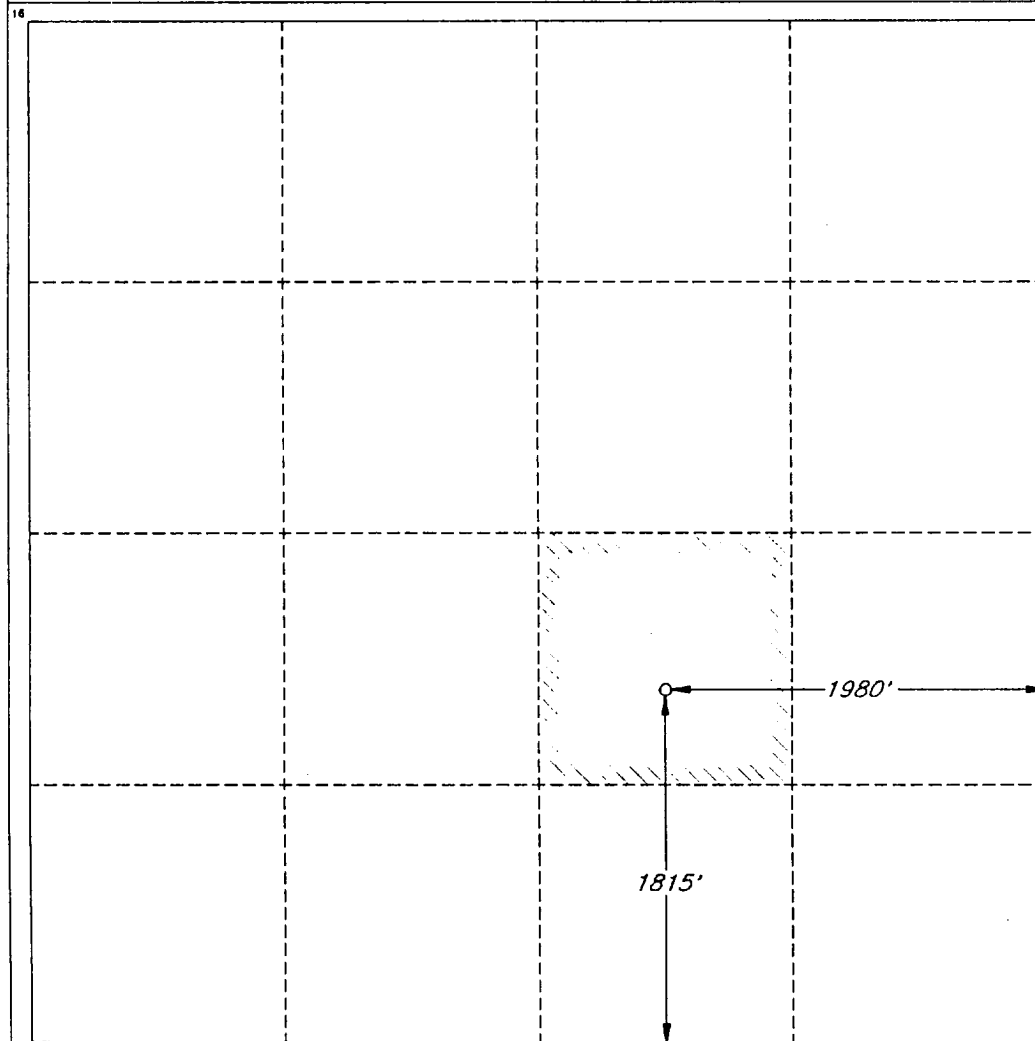
Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-28929		2 Pool Code 30670		3 Pool Name Herradura Bend; Delaware East Culebra Bluff South Delaware					
4 Property Code		5 Property Name H. F. '12' FEDERAL						6 Well Number 4	
7 OGRID No.		8 Operator Name SANTA FE ENERGY RESOURCES, INC.						9 Elevation 2997'	
10 SURFACE LOCATION									
UL or lot no. J	Section 12	Township 23 SOUTH	Range 28 EAST, N.M.P.M.	Lot Ida	Feet from the 1815'	North/South line SOUTH	Feet from the 1980'	East/West line EAST	County EDDY
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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



OPERATOR CERTIFICATION

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

Signature *James P. "Phil" Stinson*
Printed Name

James P. "Phil" Stinson
Title
Agent for Santa Fe Energy

Date
2-12-96

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 belief.

Date of Survey
JANUARY 23, 1996

Signature and Seal of Surveyor
Professional Surveyor
STATE OF NEW MEXICO
V. LYNN
BEZNER
NO. 7920
Certified for LAND SURVEYING
V. L. BEZNER R.P.S. #7920
JOB #43441-3 / 49 SE / JSJ

EXHIBIT B

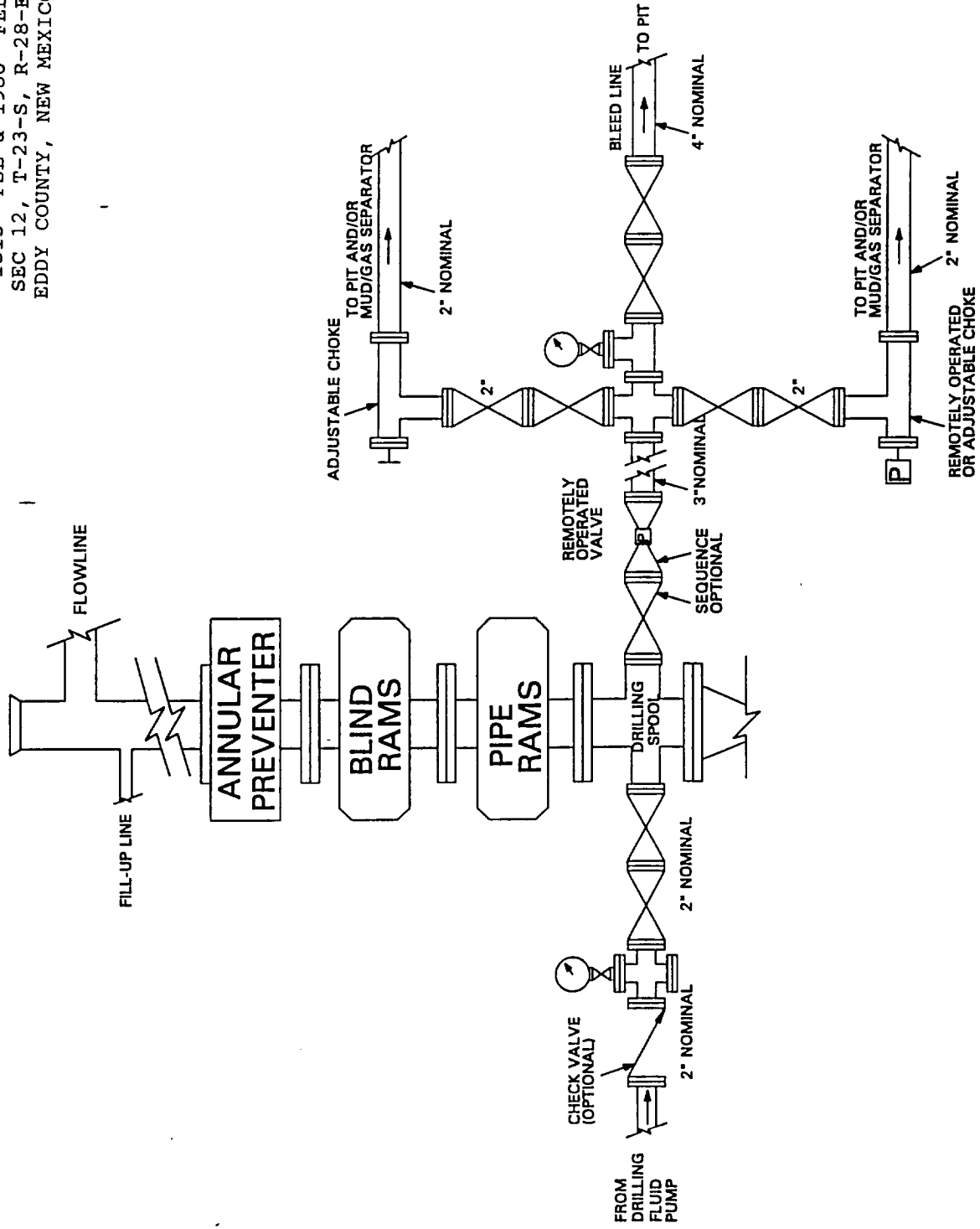
SANTA FE ENERGY RESOURCES, INC.

H. F. "12" FED NO. 4

1815' FSL & 1980' FEL

SEC 12, T-23-S, R-28-E

EDDY COUNTY, NEW MEXICO



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Santa Fe Energy Resources, Inc.

3. Address and Telephone No.

550 W. Texas, Suite 1330; Midland, Texas 79701 (915) 682-6373

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

(J) 1815' FSL & 1980' FEL Sec. 12, T-23-S, R-28-E

5. Lease Designation and Serial No.
NM-0542015

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

H. F. "12" Federal #4

9. API Well No.

10. Field and Pool, or Exploratory Area

Culebra Bluff South Delaware

11. County or Parish, State

Eddy, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

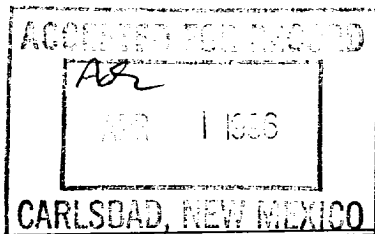
TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Per your request please find attached the Private Surface Owner's Agreement.



14. I hereby certify that the foregoing is true and correct

Signed James G. Phil Stinson

Title Agent for Santa Fe Energy

Date 3-28-96

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side



Post-it™ brand transmittal memo 7671		# of pages > 3
To	Phil Stinson	
From	Rex W	
Co.	Co.	
Dept.	Phone #	
Fax #	Fax #	



March 12, 1996

Santa Fe Energy Resources
1616 South Voss, Suite 1000
Houston, Texas 77087

Attention: Mr. Rex Wedgeworth

RE: HF "12" Fed Com #2,3 & 4 Wells
E/2 Sec 12/T23S/R28E
Eddy County, NM

Gentlemen:

We received your letter dated March 6, 1996, stating your intentions to drill the above three wells located in the E/2 of Section 12, T23S-R28E in Eddy County, New Mexico, as soon as you receive your permit from BLM. In accordance with our agreement, Mississippi Potash, Inc. will not offer any objection to these wells being drilled.

Sincerely,

Randy Foote
General Manager
Mississippi Potash, Inc.

RF:jaf



Santa Fe Energy Resources, Inc.

March 6, 1996

Mr. Randy Foote
Mississippi Potash Company
P O Box 101
Carlsbad, NM 88220

RE: H F "12" Fed Com #2, 3 & 4 Wells
E/2 Sec 12/T23S/R28E
Eddy County, NM

Dear Mr. Foote:

We are planning to drill the above ^{three} ~~two~~ wells as soon as we receive our permit from the BLM. As soon as it is received and before we start drilling we plan, as before, to send \$3,500.00 for each well site and road.

As in the past please sign below that this is acceptable to you and fax this signed letter back to me at (713) 507 5584. Thanks for your continued cooperation.

Please call if you have any questions at 1 800 733 9697 Ext 5574.

Sincerely,

Rex Wedgeworth
Manager Claims and Rights of Way

RW:rw

Mr. Randy Foote