

N. M. Oil Corp.
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE*
(Other Instructions as on
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.

20305

3. ADDRESS AND TELEPHONE NO.

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

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

At surface

(N) 660' FSL & 2310 FWL

At proposed prod. zone

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

19 miles East of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

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

660'

18. DISTANCE FROM PROPOSED LOCATION*

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

1320'

16. NO. OF ACRES IN LEASE

320

19. PROPOSED DEPTH

8300'

17. NO. OF ACRES ASSIGNED
TO THIS WELL.

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GL)

CARLETON CONTROLLED WATER BASIN

22. APPROX. DATE WORK WILL START*

January 10, 1998

23.

PROPOSED CASING AND CEMENTING PROGRAM

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	400'	400 sx to circulate
11"	K-55 8 5/8"	32.0	4200'	1200 sx to circulate
7 7/8"	K-55 5 1/2"	15.5 & 17.0	8300'	To tie back to 4000'

WITNESS
WITNESS

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 of Location
Exhibit F - Plat Showing Existing Wells
Exhibit G - Plat of Location
Exhibit H - Surface Use and Operations Plan

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Post FD-1
7-31-98
API & Loc

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

This APD was previously approved September 20, 1993.

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 B. "Phil" Stinson

TITLE Agent for Santa Fe Energy

DATE 12-18-97

(This space for Federal or State office use)

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 BY

15/ Lynn Engdahl

TITLE

Acting State Director

DATE

7-15-98

*See Instructions On Reverse Side

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.

1941 DEC 22 P 2:20

RECEIVED
ROSWELL OFFICE

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

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

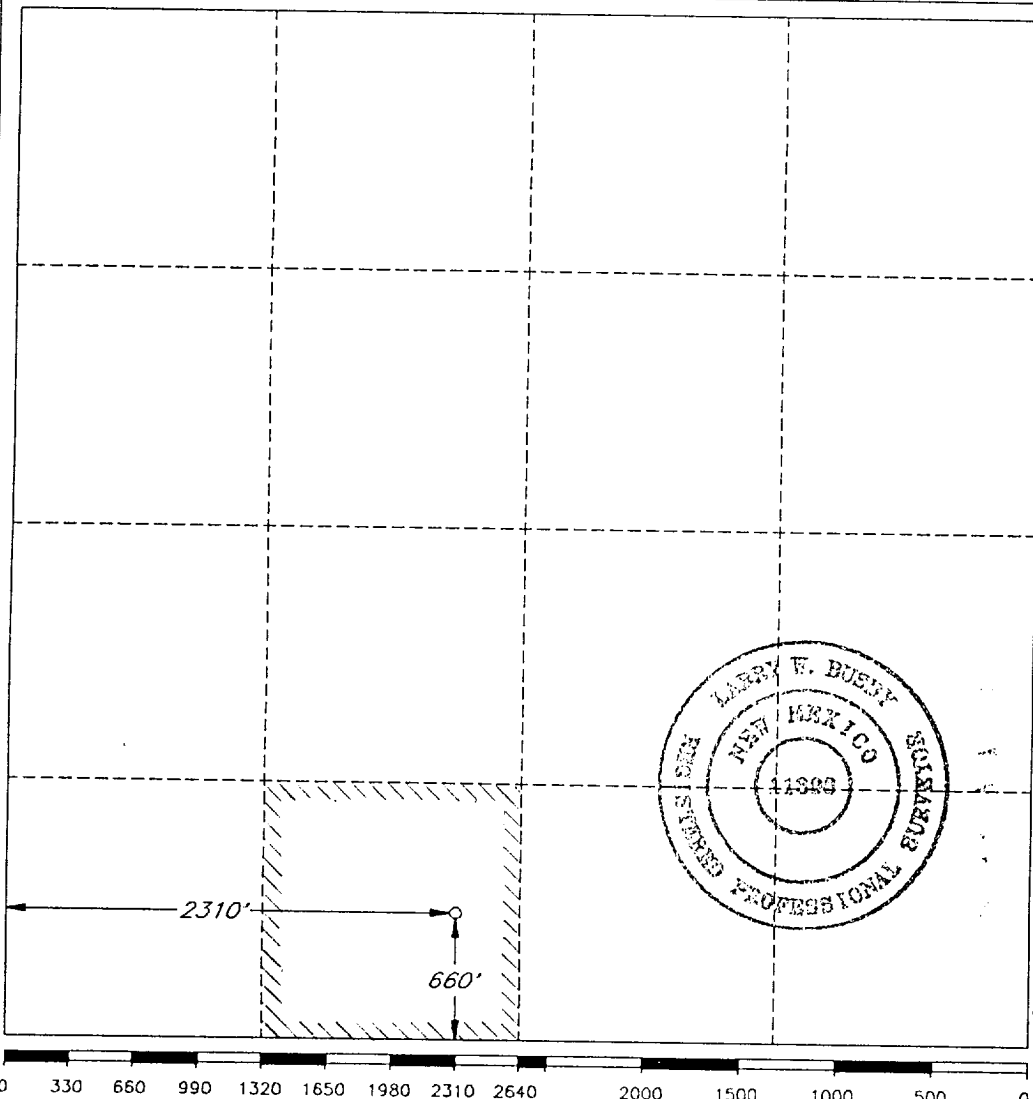
DISTRICT III
1000 Rio Brazos Rd
Aztec, NM 87410

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

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

Operator SANTA FE ENERGY OPER. PART, L.P.			Lease STERLING SILVER '3' FEDERAL		Well No. 8
Unit Letter N	Section 3	Township 24 SOUTH	Range 31 EAST, N.M.P.M.	County EDDY	
Actual Footage Location of Well 660 feet from the SOUTH line and 2310 feet from the WEST line					
Ground Level Elev. 3453'	Producing Formation		Pool Sand Dunes West (Delaware)	Acres 40	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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 *James P. "Phil" Stinson*
Printed Name
James P. "Phil" Stinson
Position
Agent for Santa Fe Energy
Company
OGE Drilling USA, Inc.
Date
12-17-97

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
APRIL 21, 1993

Signature and Seal of
Professional Surveyor

Larry W. Busby
Certificate No.
LARRY W. BUSBY R.P.S. #11398
JOB NO. 95540 V.H.B.

EXHIBIT B

SANTA FE ENERGY RESOURCES, INC.
Sterling Silver "3" Federal No. 8
660' FSL, 2310' FWL
Section 3, T-24-S, R-31-E
Eddy County, New Mexico

