

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

(Other Ins. on Reverse)

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)682-6373

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

At surface  
(Lot 3) 1000' FNL & 2500' FWL

1314' 2555'  
At proposed prod. zone

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

15 miles west of Carlsbad, New Mexico

10. DISTANCE FROM PROPOSED\*

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

1000'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED

TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION\*

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

1655'

19. PROPOSED DEPTH

8400'

20. ROTARY OR CABLE TOOLS

Rotary

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

4149' GR

22. APPROX. DATE WORK WILL START\*

December 21, 1998

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 3/4"	K-55 9 5/8"	36 #	1600'	775 sx to circulate
8 3/4"	K-55 7"	26 #	8400'	400 sx TOC @ 6000'

We propose to drill to a depth sufficient to test the Cisco/Canyon formation for oil.

If productive, 7" 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 - Map Showing Existing Wells
- Exhibit F (A) - Plat of Location
- Exhibit G - Well Site Layout
- Surface Use and Operations Plan
- H2S Drilling 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

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

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. Philpott

TITLE

Agent for Santa Fe Energy

DATE

11-20-98

(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:

(ORIG. SGD.) ARMANDO A. LOPEZ

acting Assistant Field Office Manager,  
Lands and Minerals

APPROVED BY

TITLE

DATE

JAN 21 1999

\*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.

RECEIVED  
NOV 23 98  
BLM  
ROSWELL, NM

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

**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

DISTRICT III  
1000 Rio Brozos Rd.  
Aztec, NM 87410

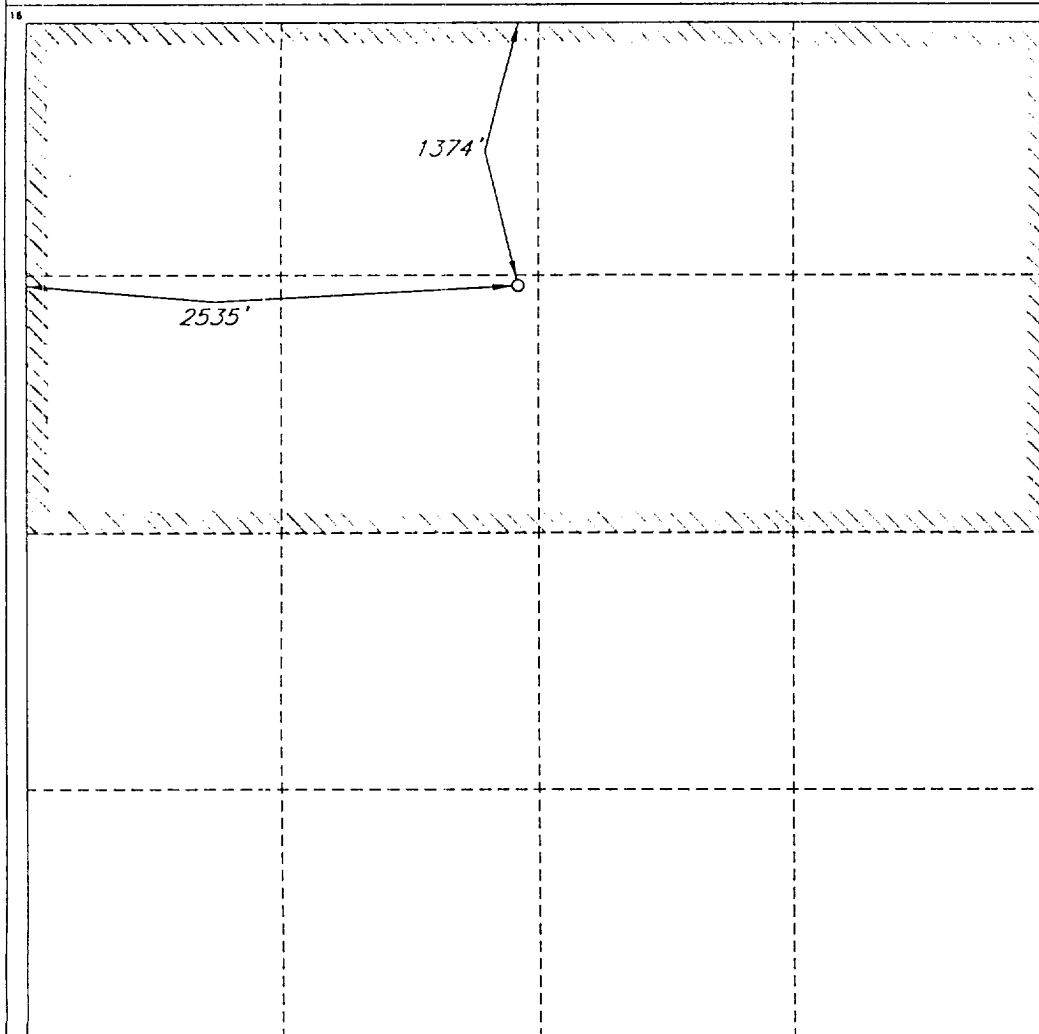
☐ AMENDED REPORT

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1 API Number		2 Pool Code		3 Pool Name Indian Basin (Upper Penn)					
4 Property Code		5 Property Name JONES CANYON '4' FEDERAL						6 Well Number 5	
7 OGRID No. 20305		8 Operator Name SANTA FE ENERGY RESOURCES, INC.						9 Elevation 4162'	
10 SURFACE LOCATION									
UL or lot no. LOT 3	Section 4	Township 22 SOUTH	Range 24 EAST, N.M.P.M.	Lot Ida	Feet from the 1374'	North/South line NORTH	Feet from the 2535'	East/West line WEST	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 320		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

12-29-98

**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

DECEMBER 18, 1998

Signature and Seal of  
Professional Surveyor

*Roger M. Robbins*  
REGISTERED PROFESSIONAL SURVEYOR  
12128

Certificate No.  
ROGER M. ROBBINS P.S. #12128

JOB #61714 / 51 NE / V.H.B.

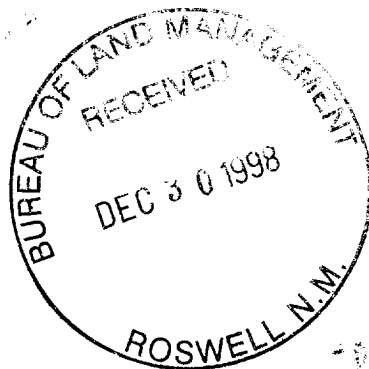


EXHIBIT B  
 SANTA FE ENERGY RESOURCES, INC.  
 Jones Canyon "4" Fed No. 5  
 1000' FNL & 2500' FWL  
 Section 4, T-22-S, R-24-E  
 Eddy County, New Mexico

