Form 3160-3
(July 1992)

N.M. OIL CON
P.O. X 198
HOBBS, NEW
DEPARTMENT OF
BUREAU OF LAN

OPER. OGRID NO. 20305
PROPERTY NO. 18760
POOL CODE —
EFF. DATE 3/29/96
API NO. 30-025-33356

CATE* on

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

APPLICATION FOR PERM

1a. TYPE OF WORK
DRILL [X] DEEPEN [ ]

b. TYPE OF WELL
OIL WELL [ ] GAS WELL [X] 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
(F) 1980' FNL & 1880' FWL
At proposed prod. zone
Unit F

5. LEASE DESIGNATION AND SERIAL NO.
NM-86153

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Tomcat

8. FARM OR LEASE NAME, WELL NO.
Tomcat Federal Unit #1

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
Wildcat
~~Sand Dunes E.~~ Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 21, T-23-S, R-32-E

12. COUNTY OR PARISH: Lea
13. STATE: New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
24 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): 1880'

16. NO. OF ACRES IN LEASE: 1000

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.: 2540'

19. PROPOSED DEPTH: 15,950'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3663' GR

22. APPROX. DATE WORK WILL START*
March 29, 1996

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	600'	600 sx to circulate
12 1/4"	K-55	9 5/8"	40	4700'	1450 sx to circulate
8 3/4"	S-95	7"	26	12000'	800 sx TOC @ 6000'
6 1/8"	S-95	4 1/2"	13.5	15950'	550 sx (Circ to liner top)

We propose to drill to a depth sufficient to test the Morrow formation for gas. If productive, a 4 1/2" liner will be cemented 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 B (A) - BOP and Choke Schematic, 10-M
- 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.: MT0750

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" Stenson TITLE Agent for Santa Fe Energy DATE 2-28-96

(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:

APPROVED BY /s/ Yolanda Vega TITLE ASSISTANT AREA MANAGER DATE 3-25-96

*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.