

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT TRIPLICATE*
(Other instructions on reverse side)

30-015-27601
Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Santa Fe Energy Operating Partners, L.P.

3. ADDRESS OF OPERATOR
 550 W. Texas, Suite 1330, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface (M), 660' FSL and 660' FWL, Sec. 33, T-23S, R-31E, Co. 10, NM 88210
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 18 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)
 660'

16. NO. OF ACRES IN Oil & Gas
 640

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

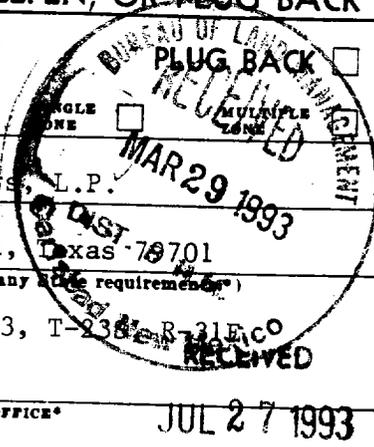
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1320'

19. PROPOSED DEPTH
 8100'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3395' GR

22. APPROX. DATE WORK WILL START*
 May 10, 1993



5. LEASE DESIGNATION AND SERIAL NO.
 NM-45236

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Sterling Silver 33 Federal

9. WELL NO.
 8

10. FIELD AND POOL, OR WILDCAT
 Sand Dunes, West (Delaware)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 33, T-23S, R-31E

12. COUNTY OR PARISH
 Eddy

13. STATE
 New Mexico

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48.0	600'	600 sx to circulate
12-1/4"	8-5/8"	32.0	4150'	2000 sx to circulate
7-7/8"	5-1/2"	15.5	8100'	To tie back to 4150'

We propose to drill to a depth sufficient to test the Delaware foramtion for oil. If productive, 5-1/2" casing will be cemented at 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
- Exhibit C - Drilling Fluid Program
- Exhibit D - Auxiliary Equipment
- Exhibit E - Topo Map of Location
- Exhibit F - Plat Showing Existing Wells
- Exhibit G - Well Site Layout
- Surface Use and Operations Plan

IO-1
7-30-93
N.C.P.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 Darrell Roberts TITLE Sr. Drilling Engineer DATE 3/26/93

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY B/Kathy Eaton TITLE Acty State Director SUBJECT TO 7-16-93

GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

*See Instructions On Reverse Side