

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 57534
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Santa Fe Exploration Company		7. UNIT AGREEMENT NAME N/A
3. ADDRESS OF OPERATOR P. O. Box 1136, Roswell, New Mexico 88202-1136		8. FARM OR LEASE NAME Sun Federal Com
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface Unit F; 1650' FNL & 1980' FWL, Sec. 26, T18S, R33E At proposed prod. zone Same		9. WELL NO. No. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 12.5 miles south-southwest from Maljamar, NM		10. FIELD AND POOL, OR WILDCAT Corbin, South
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1,650 ft.	16. NO. OF ACRES IN LEASE 240	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 26, T18S, R33E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A	19. PROPOSED DEPTH 5200' (PB)	12. COUNTY OR PARISH Lea
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3,825.4 GR		13. STATE New Mexico
20. ROTARY OR CABLE TOOLS Completion Unit		22. APPROX. DATE WORK WILL START* 11/6/92

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"	54.5	492'	500 SX (Circ)
12 1/4"	8 5/8"	32	5,400'	2,378 SX (Circ)

*** See attached schematic for current well condition***

Proposed BOP Program: 3,000 psig manual BOP

1. Run & set CIBP at approx. 5,200' and dump 35' cement on top of plug.
2. Perforate 4,547 - 4,558' at 2 SPF.
3. Displace acid; swab/flow to test.
4. Acidize with 1500 gal. acid; swab/flow to test
5. Fracture treat perforations; swab/flow to test.
6. Run and set CIBP at 4,500' +/- and dump 35' of cement on top of plug, or if Penrose is productive but Queen is to be completed also, set RBP & dump sand on top of plug.
7. Perforate 4,290 - 4,320' at 2 SPF.
8. Acidize with 1500 gal. acid; swab/flow to test.
9. Fracture treat perforations; swab/flow to test.
10. Pull RBP if one was set.
11. Install surface equipment, run potential & BHP test(s) as directed, initiate production.

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. Richard C. Gilliland Richard C. Gilliland
SIGNED TITLE Petroleum Engineer
DATE 11/3/92

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 11/25/92
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side