

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN PLICATE*
(Other instructions on reverse side)

30-025-31277
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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-062391
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
2. NAME OF OPERATOR Santa Fe Energy Operating Partners, L.P.		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 550 W. Texas, Suite 1330, Midland, TX 79701		8. FARM OR LEASE NAME Kachina "5" Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FSL & 660' FEL, Sec. 5, T-18S, R-33E At proposed prod. zone Same		9. WELL NO. 2
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 miles southeast of Maljamar, New Mexico		10. FIELD AND POOL, OR WILDCAT South Corbin (Wolfcamp)
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5, T-18S, R-33E
16. NO. OF ACRES IN LEASE 320		12. COUNTY OR PARISH Lea
17. NO. OF ACRES ASSIGNED TO THIS WELL 80		13. STATE NM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None		14. PROPOSED DEPTH 11,500'
19. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* June 8, 1991
20. ELEVATIONS (Show whether DF, RT, GR, etc.) 3987.4' GR		

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	450' 350' <i>an</i>	400 sx <i>CIRCULATE</i>
12-1/4"	8-5/8"	28.0	3,100'	1,450 sx <i>See slips.</i>
7-7/8"	5-1/2"	15.5 & 17.0	11,500'	See below

Move in drilling rig. Drill 17-1/2" hole to 350'. Run 13-3/8" casing and cement to surface with 400 sx "C" cement w/2% CaCl₂ and 1/4 pps celloflake. WOC 6 hours. Nipple up BOP and test BOP and casing to 600 psi. Drill 12-1/4" hole to 3100'. Run 8-5/8" casing and cement with 1200 sx 35/65 Poz/"C" cement w/6% gel, 10% NaCl and 1 pps celloflake followed by 250 sx of "C" cement w/2% CaCl₂. Install BOP and test rams and choke to 5000 psi, annular to 1000 psi. Drill 7-7/8" hole to 11,500'. Run logs. Run 5-1/2" casing and cement with 50/50 Poz/"H" cement, 2% gel, 6 pps NaCl and 0.75% fluid loss additive. Sufficient cement will be used to cover all potentially productive zones.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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.

SIGNED Daniel Pobito Sr. Drilling Engineer DATE 5-6-91
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE ANNE MCDONNELL DATE 6-6-91
CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

RECEIVED

JUN 10 1991

CCB
HOBBS OFFICE

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-182
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

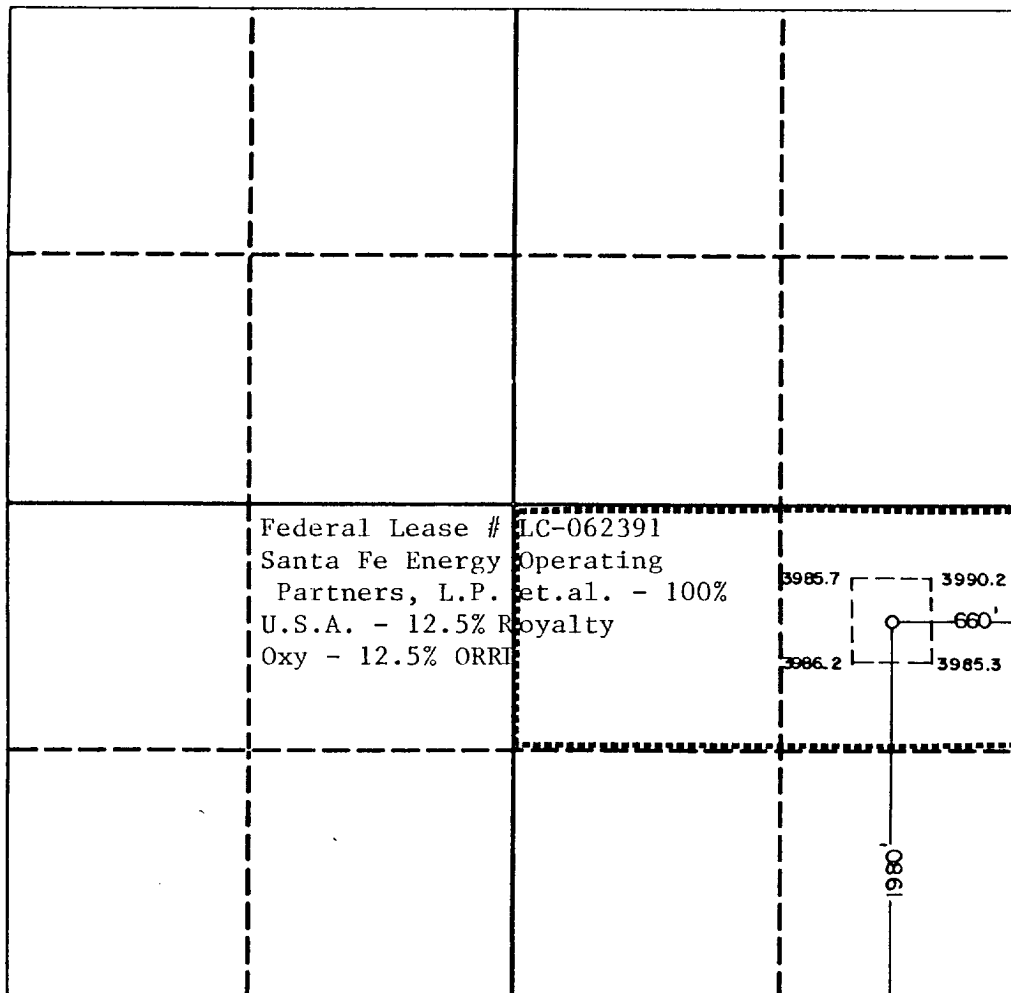
All Distances must be from the outer boundaries of the section

Operator SANTA FE ENERGY OPERATING PARTNERS L.P.			Lease KACHINA FEDERAL "5"		Well No. 2
Unit Letter I	Section 5	Township 18 SOUTH	Range 33 EAST	County LEA	

Actual Footage Location of Well:

660 feet from the EAST line and		1980 feet from the SOUTH line	
Ground level Elev. 3987.4	Producing Formation Wolfcamp	Pool South Corbin (Wolfcamp)	Dedicated Acreage: 80 Acres

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 owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☒ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use 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 contained herein is true and complete to the best of my knowledge and belief.

Signature
Darrell Roberts
Printed Name
Darrell Roberts
Position
Senior Drilling Engineer
Company Santa Fe Energy
Operating Partners, L.P.
Date
5-6-91

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
4-29-91
Signature & Seal of Professional Surveyor
John W. West
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

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JUN 10 1991

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HOBBS OFFICE

APPLICATION FOR DRILLING
SANTA FE ENERGY OPERATING PARTNERS, L.P.
Kachina "5" Federal No. 2

In conjunction with Form 3160-3, Application to Drill subject well, Santa Fe Energy Operating Partner, L.P., submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is sand.
2. The estimated tops of geologic markers are as follows:

Rustler	1,400'
Base Salt	2,830'
Yates	3,070'
Seven Rivers	3,320'
Queen	4,150'
Penrose	4,500'
Delaware	5,540'
Bone Spring	6,460'
First Bone Spring Sand	8,190'
First Carbonate	8,440'
2nd Sand	8,790'
2nd Carbonate	9,290'
3rd Sand	9,500'
Wolfcamp	9,830'
Total Depth	11,500'

3. The estimated depth at which water, oil, or gas formations are expected to be encountered:

Water	Water is not expected to be encountered	
Oil or Gas	Wolfcamp	10,000' - TD

4. Proposed Casing Program: See Form 3160-3 and Exhibit A.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
6. Drilling Fluid Program: See Exhibit C.
7. Auxiliary Equipment: See Exhibit D.
8. Testing, Logging and Coring Programs:

Drill Stem Tests (all DST's to be justified by a valid show of oil or gas):

Bone Spring	8,600 - 8,800'
Wolfcamp	10,000 - 11,000'

PROPOSED BOPE AND CHOKE ARRANGEMENT

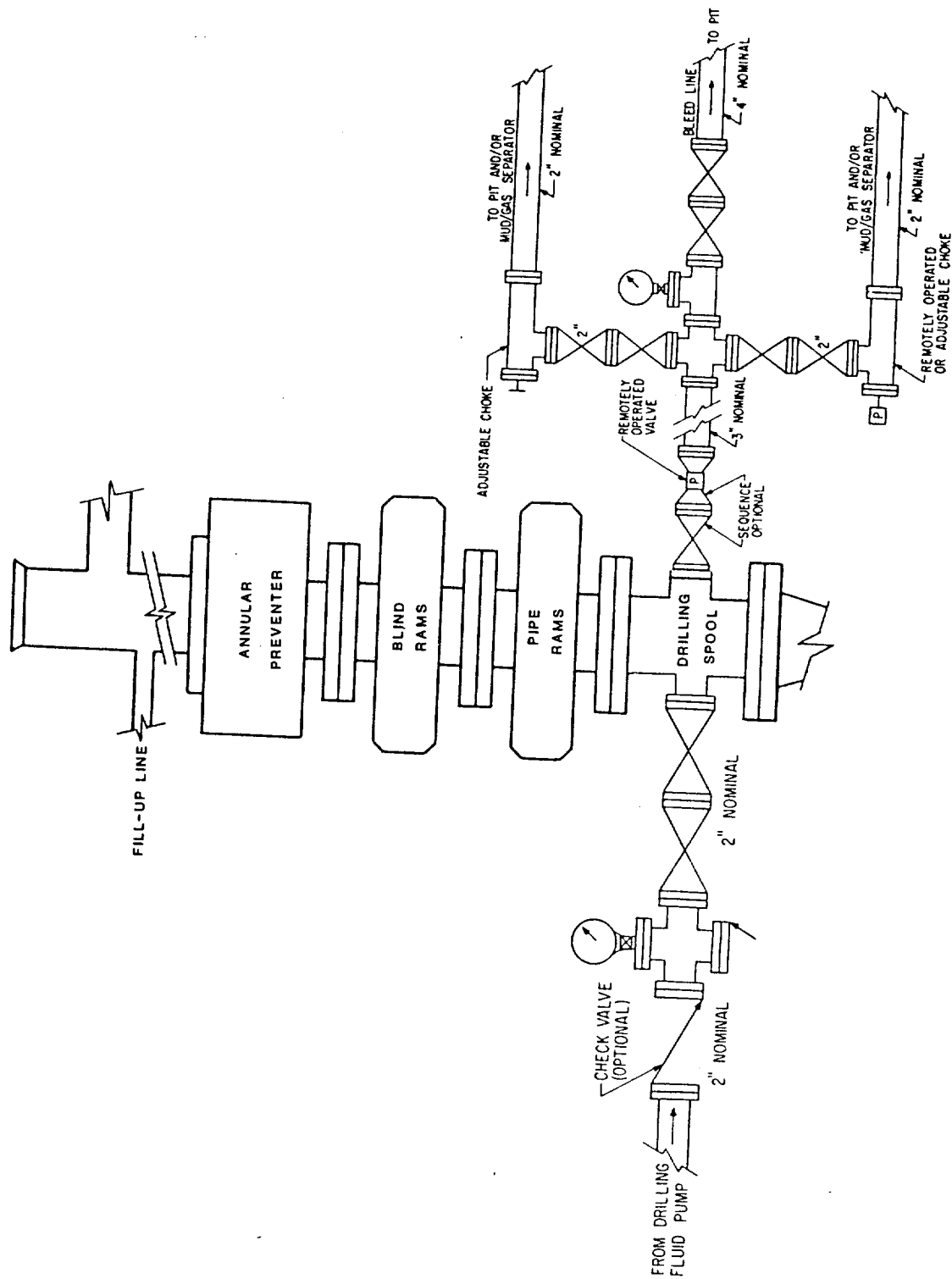


EXHIBIT B

SANTA FE ENERGY OPERATING PARTNERS, LP.
 KACHINA "5" FED. NO. 2
 SEC 5, T 18 S, R 33 E 1980' FSL & 660' FEL
 LEA CO., NEW MEXICO

10-01-01
JUN 10 1931

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JUN 10 1931

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