ROSM. IN TRIPLION.

Budget Bureau No. 1004-0136

UNITED STATES M. DIL COMMISSIONE RECEIVED DERIGNATION AND RESTAL NO. Form 3160-3 (November 1983) (formerly 9-331C) Budget Bureau No. 1004-0136 BUREAU OF LAND MANAGEMENT NEW MEXICO 83240 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUGIBACK NM 40452 6. IF INPLAN, ALLOTTER OR TRIRE NAME IR. TYPE OF WORK DRILL [X] DEEPEN PLUG BACKI b. TIPE OF WELL 7. UNIT AGREEMENT NAME WELL X WELL monthle 2. NAME OF OPERATOR OTHER B. PARM OR LEARN NAME Santa Fe Energy Operating Partners, L.P. Shinnery 14 Federal 3. ADDRESS OF OPERATOR WELL NO. 500 W. Illinois, Suite 500, Midland, TX 79701

6. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*) 10. PIELD AND PORTY OR WILDCAT COMPLETE Spring Upper 1980' FSL & 660' FEL of Sec. 14, 18S, 32E 11. SSC., T., R., M., OR BLR AND SURVEY OR AREA At proposed prod. zone 14. DIRTANCE IN MILER AND DIRECTION FROM NEAREST TOWN OR PORT OFFICE 14, 18S, 32E 25 miles NE of Carlsbad, New Mexico 12. COUNTY OR PARISH | 18. STATE 10. DIRTANCE FROM PROPORED\*
LOCATION TO NEAREST
PROPERTY OR LEARE LINE, FT.
(Also to nearest drig, unit line, if any) Lea 16. NO. OF ACRES IN LEASE NM NO. OF ACRES ASSIGNED TO THIS WELL. 18. DISTANCE FROM PROPOSED LOCATIONS
TO MEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 660' 40 40 19. PROPORED DEPTH 20, ROTARY OR CABLE TOOLS 1320' 21. RERVATIONS (Show whether DF, RT, GR, etc.) 10,200' Rotary 22. AFPROX. DATE WORK WILL START 3812.7 23. **ASAP** PROPOSED CASING AND CEMENTING PROGRAM BIRE OF BOLE [CAPITAN WTR BASIN] RIEM OF CARING WEIGHT PER POOT 17 1/2 BETTING DEPTH  $13 \ 3/8$ QUANTITI OF CEMENT 48.0 475 8x CIRCULATE / WITH SS 400+ 12 1/4 8 5/8 24.0 See belowCIRCULATE 2680+ 7 7/8  $5 1/\bar{2}$ 17.0 10200 See below Move in drilling rig. Drill 17 1/2" hole to 400'. Run 13 3/8" casing and cement to surface with 475 sx "C" cement w/2% CaCl2. WOC 6 hours. Nipple up BOP and and test BOP and casing to 600 psi. Drill 12 1/4" hole to 2680' (200' below base of salt). Run 8 5/8" casing and cement with sufficient C1 "C" poz cement w/6% gel, 10% NaCl and 1 1b/sk celloflake followed by 360 sx of "C" cement w/2% CaCl2 to circulate. Install BOP and test rams and choke to 3000 psi, annular to 1500 psi. Drill 7 7/8" hole to core point in Queen (+3850'). Cut 60' core. Drill 7 7/8" hole to core point in Penrose (+4120'). Cut 40' core. Drill 7 7/8" hole to TD. Run logs. Run 5 1/2" casing and cement with 50/50 poz/"H" cement, 2% gel, 6 lbs/sk NaCl and 0.75% fluid Sufficient cement will be used to cover all potentially productive zones. IN ABOVE SPACE DESCRIBE PROTOGED PROGRAM : If proposal to deepen or plug back, give data on present productive zone and proposed new productive The nearly destrine endough endurant: it proposes is to deepen or plug unter, give data on present productive none and proposed new productive. If proposed is to delli or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. Michael R. Buton Title District Drilling Engineer (This space for Federal or State office use) PERMIT NO. APPROVAL DATE Orig. Signed by Richard L. Monus APPA NORTH CONDITIONAPPROVALCHUECT TO: CARESBAD RESOURCE AKE 2-24-89 GENERAL REQUIREMENTS AND

\*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 junisdiction.

SPECIAL STIPULATIONS

ATTACHED

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## NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section.

Form C-102 Supersedes C-128 Effective 1-1-65

Well No. Operator SANTA FE ENERGY OPERATING PARTNERS L.P. SHINNERY 14 FEDERAL Section Township Range Unit Letter 32 EAST 18 SOUTH LEA Actual Footage Location of Well: 1980 SOUTH EAST feet from the feet from the line and line Dedicated Acreage: Ground Level Elev. **Producing Formation** 40 QUECHERO PLAINS 3812.7' BONE SPRING Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests of all owners been consolidated by communitization, unitization, force-pooling. etc? If answer is "yes," type of consolidation One lease X No 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 interests, has been approved by the Commission. CERTIFICATION I hereby certify that the information con-Michael R. Burton District Driling Engineer Compony Santa Fe Energy Operating Partners, L.P. Date 1-23-89 FED . NW 40125 BANTA FE ENERGY ING PARTNERS, L. P.,ETAL-1909 I hernby certify that the well location 660. Date Surveyed 5-89 Registered Professional Engineer

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Respective a

## APPLICATION FOR DRILLING SANTA FE ENERGY COMPANY Shinnery 14 Federal No. 4

In conjunction with form 9-331C, Application to Drill subject well, Santa Fe Energy Company 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	550
Base Salt	2480
Yates	2680
Seven Rivers	3040
Queen	3850
Penrose	4120
Grayburg	4320
Delaware	5250
Bone Spring	6740
TD	
~ ~	10200

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

Water
Oil or Gas

Water is not expected to be encountered.
Yates 2680' - TD

- 4. Proposed casing program: See Form 9-331C and Exhibit A.
- 5. Pressure control Equipment: See Form 9-331C and Exhibit B.
- 6. Drilling Fluid Program: See Exhibit C.
- 7. Auxilliary Equipment: See Exhibit D.
- 8. Testing, Logging and Coring Programs:

## Logging:

Logging from 2700' - TD: Dual Laterolog with Gamma Ray Neutron-Density with Gamma Ray Computer Process Log over selected intervals

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Logging from 2700' - TD: Sonic

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EXHIBIT B

PROPOSED BOPE AND CHOKE ARRANGEMENT

HOBBS OFFICE OCD JUL 10 1989 ELF recd 8/24/89

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