

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐ SEP 10

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Santa Fe Energy Operating Partners, L.P.

3. ADDRESS OF OPERATOR

500 W. Illinois, Suite 500, Midland, TX 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

990' FNL & 660' FEL of Sec. 14, 18S, 32E

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

25 miles NE of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

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

1320'

16. NO. OF ACRES IN LEASE

40

19. PROPOSED DEPTH

10,200'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3828.6'

22. APPROX. DATE WORK WILL START*

ASAP

23.

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	400+	475 sx SANGUINETE
12 1/4	8 5/8	24.0	2680+	See below
7 7/8	5 1/2	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 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 lb/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 loss additive. Sufficient cement will be used to cover all potentially productive zones.

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

Michael R. Buxton

TITLE

District Drilling Engineer

DATE

9-12-89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

David J. Gentry

TITLE

DATE

10-24-89

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

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 SHINNERY 14 FEDERAL		Well No. 6
Unit Letter A	Section 14	Township 18 SOUTH	Range 32 EAST	County NMPM LEA	
Actual Footage Location of Well: 990 feet from the NORTH line and 660 feet from the EAST line					
Ground level Elev. 3828.6'	Producing Formation BONE SPRING		Pool OUECHERO PLAINS	Dedicated Acreage: 40 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.?

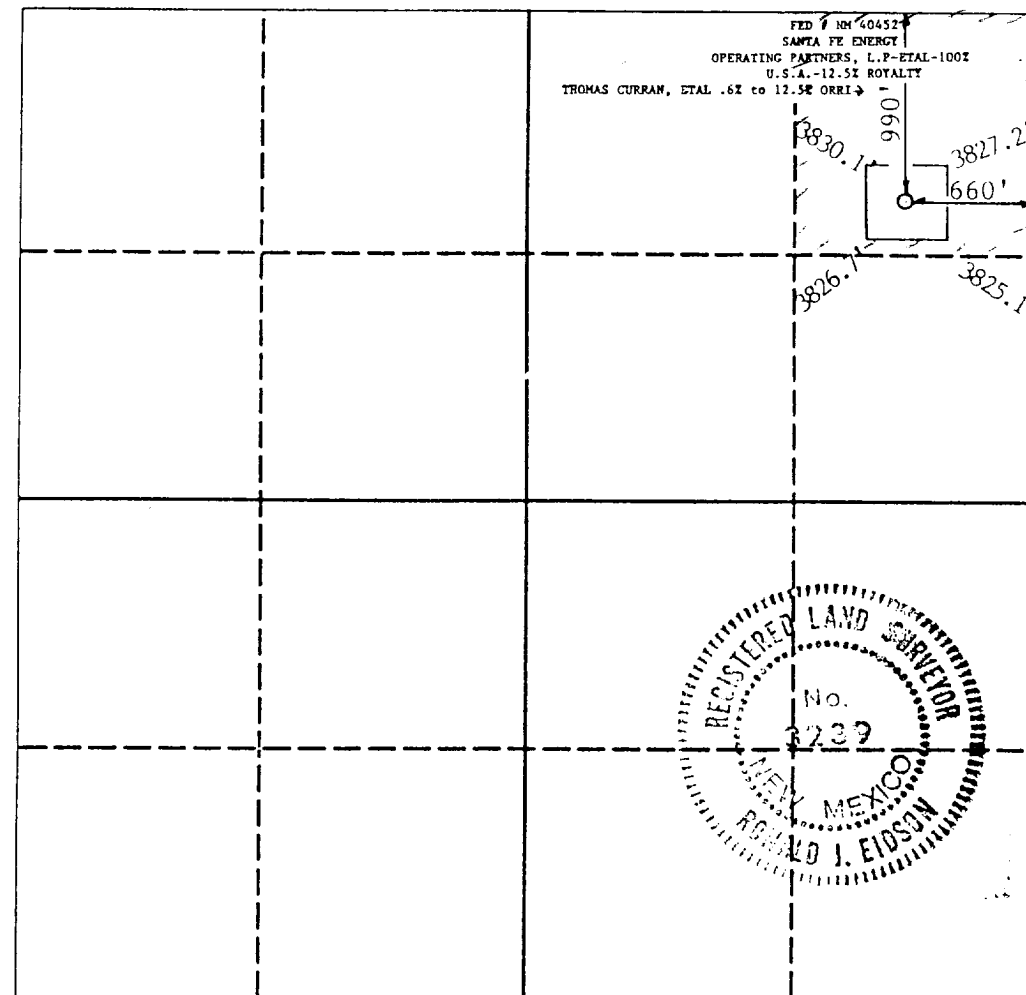
☐ Yes

☐ 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

Michael R. Burton

Printed Name

Michael R. Burton

Position

District Drilling Engineer
Company Santa Fe Energy
Operating Partners, L.P.

Date

9-14-89

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

AUGUST 30, 1989

Signature & Seal of
Professional Surveyor

Ronald J. Eidson

Certificate No. JOHN W. WEST, 676

RONALD J. EIDSON, 3239

PROPOSED BOPE AND CHOKE ARRANGEMENT

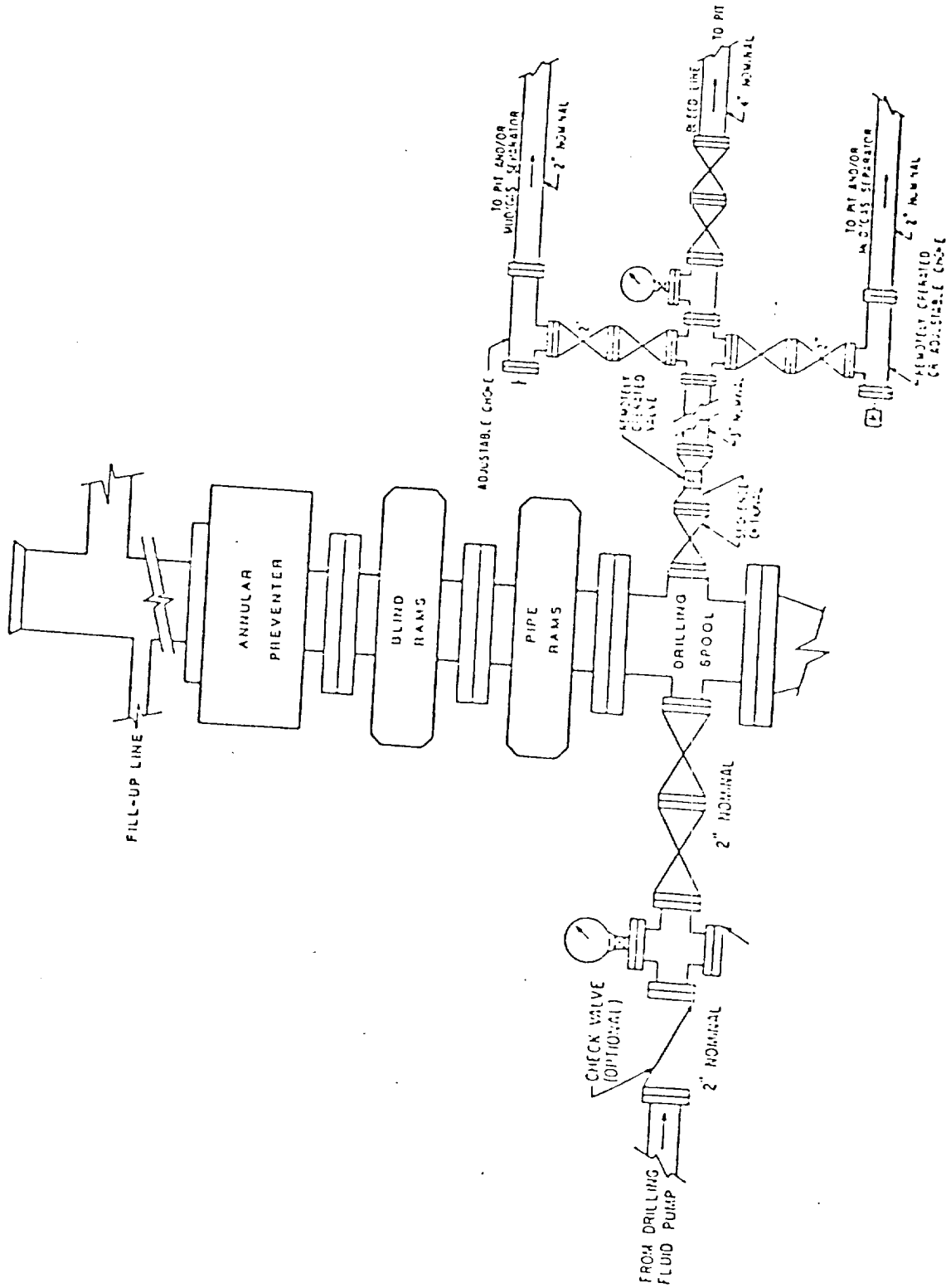


EXHIBIT B

SANTA FE ENERGY OPERATING PARTNERS, L.P.
SHINERY 14 FED No. 6
SEC 14, T 18 S, R 32 E