Form 3160-3 (November 1983) (formerly 9-331C)

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SUBMIT IN RIPLICATE.

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

| BUREAU C | 5. LEASE DESIGNATION AND SERIAL NO. NM-40449 | | |
|---|---|---|---|
| APPLICATION FOR PERMIT | TO DRILL | DEEPEN OR PING | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| DRILL X b. TIPE OF WELL OIL WELL X OTHER | DEEPEN | | CK 7. UNIT AGREEMENT NAME |
| 2. NAME OF OPERATOR | | | Young North 7 Federal |
| Santa Fe Energy Operating P | artners, L.P | | 9. WELL NO. |
| | Md 41 and my | . 70701 | 11 |
| 500 W. Illinois, Suite 500, 4. LOCATION OF WELL (Report location clearly a At Surface | nd in accordance wi | th any State requirements () | 10. FIELD AND POOL, OR WILDCAT |
| 2310' FNL and 1650' FEL, S | | | North Young Wolfcamp 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA |
| Same | | | Soc 7 7195 7225 |
| 14. DISTANCE IN MILES AND DIRECTION FROM N | | | Sec. 7, T18S, R32E 12. COUNTY OR FARIBH 13. STATE |
| 7 miles southwest of Malja | mar, New Mex | | Lea NM |
| LOCATION TO NEARERT PROPERTY OR LEASE LINE, FT. | 330' | 16. NO. OF ACRES IN LEASE | 17. NO. OF ACRES ASSIGNED TO THIS WELL |
| (Also to nearest drlg. unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION® TO NEAREST WELL, DRILLING, COMPLETED, | 330 | 40 19. PROPOSED DEPTH | 4() 20. ROTARY OR CARLE TOOLS |
| OR APPLIED FOR, ON THIS LEASE, PT. | None | 10,800' | Rotary |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3922 | > | | 22. APPROX. DATE WORK WILL START* April 15, 1990 |
| 23. | PROPOSED CASI | ING AND CEMENTING PROGRA | M |
| SIZE OF HOLE SIZE OF CASING | WEIGHT PER F | OOT SETTING DEPTH | QUANTITY OF CEMENT |
| 17 1/2" 13 3/8" | 48.0 | 425 | 475 SX CIRCULTIE |
| 12 1/4" 8 5/8" | 28.0 | 2,500' | 1,523 SX CIRCULATE |
| 7 7/8" 5 1/2" | 17.0 | 10,800' | See below |
| Move in drilling rig. Drill surface with 474 sx "C" ceme Nipple up BOP and test BOP at 8 5/8" casing and cement with 1 lb/sx celloflake followed test rams and choke to 5000 Run logs. Run 5 1/2" casing NaCl and 0.75% fluid loss adpotentially productive zones | nt w/2% CaCl nd casing to h 1373 sx 35 by 150 sx of psi, annular and cement ditive. Suf | L2 and 1/4 lbs/sx ce o 600 psi. Drill 12 5/65 Poz/"C" cement "C" cement w/2% Ca t to 1000 psi. Dril with 50/50 Poz/"H" Eficient cement will | #110flake. WOC 6 hours. #1/4" hole to 2500'. Run #w/6% gel, 10% NaCl and #Cl2. Install BOP and #1 7 7/8" hole to 10,800'. |
| | APPROVAL MIBURIT TO SEMERAL MEGUNEMENTS AND SPECIAL MINULATIONS ATTACHED | | |
| in above space rescaine proposed program: It zene. If proposal is to drill or deepen direction preventer program, if any. 24. | proposat is to deep nally, give perfinent | een or plug back, give data on p t data on subsurface locations si | resent productive some and proposed new productive and measured and true vertical depths. Give blowout |
| AIGNET Michael & Bruton | тіт | ne District Drilling | Engineer DATE March 6, 1990 |
| (This space for Federal or State office use) | | | |
| PERMIT NO. | APPROVAL DATE | | |
| APPROVED BY CONDITIONS OF APPROVAL, IF ANY I | тіт | 1.2 | DATE |
| | İ | | |