

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐ 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

560' FSL & 990' FWL, Sec. 8, T-18S, R-32E

At proposed prod. zone

Same

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

7 miles southwest of Maljamar, New Mexico

15. DISTANCE FROM PROPOSED\*

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

660'

16. NO. OF ACRES IN LEASE

40

17. NO. OF ACRES ASSIGNED

TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

10,800'

20. ROTARY OR CABLE TOOLS

Rotary

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

3760' GR

22. APPROX. DATE WORK WILL START\*

July 15, 1990

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'	400 sx CIRCULATE
12 1/4"	8 5/8"	28.0	2,800'	1,450 sx CIRCULATE
7 7/8"	5 1/2"	17.0	10,800'	See below

Move in drilling rig. Drill 17 1/2" hole to 400'. Run 13 3/8" casing and cement to surface with 400 sx "C" cement w/2% CaCl<sub>2</sub> and 1/4 lbs/sx celloflake. WOC 6 hours. Nipple up BOP and test BOP and casing to 600 psi. Drill 12 1/4" hole to 2800'. Run 8 5/8" casing and cement with 1200 sx 35/65 Poz/"C" cement w/6% gel, 10% NaCl and 1 lb/sx celloflake followed by 250 sx of "C" cement w/2% CaCl<sub>2</sub>. Install BOP and test rams and choke to 5000 psi, annular to 1000 psi. Drill 7 7/8" hole to 10,800'. Run logs. Run 5 1/2" casing and cement with 50/50 Poz/"H" cement, 2% gel, 6 lbs/sx 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 blow-out preventer program, if any.

24.

SIGNED

Danell Roberts

TITLE Sr. Drilling Engineer

DATE June 7, 1990

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_

APPROVAL DATE \_\_\_\_\_

APPROVED BY

Orig. Signed

TITLE

AREA MANAGER

CARLOS AD RESOURCE AREA

DATE

7-10-90

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

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**JUL 11 1990**

OCD  
MOBBS C.

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, LP			Lease Young North Federal AN		Well No. 2
Unit Letter M	Section 8	Township 18 South	Range 32 East	County Lea	
Actual Footage Location of Well: 560 feet from the South line and 990 feet from the West line					
Ground level Elev. 3761		Producing Formation Wolfcamp		Pool North Young Wolfcamp	
				Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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. one lease)  
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.

*Michael R. Burton*  
Signature

Printed Name  
Michael R. Burton

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

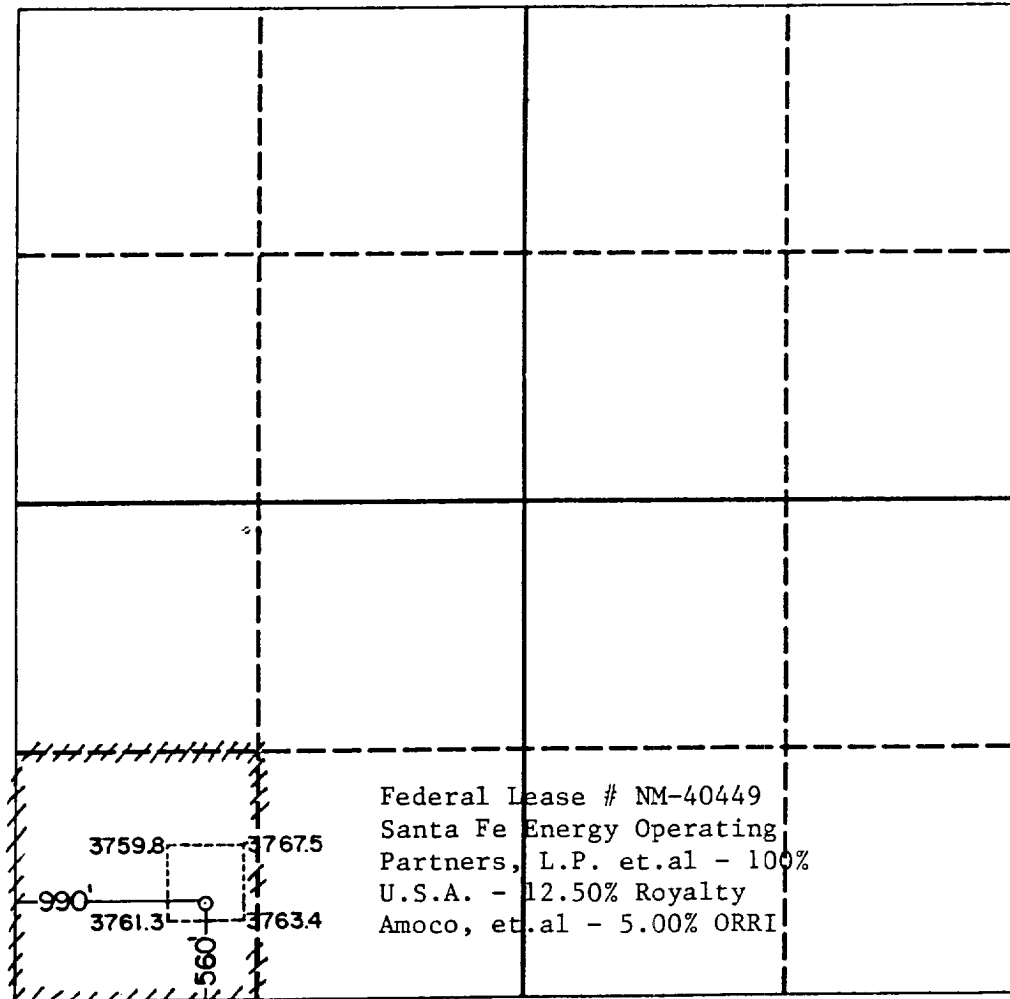
Date  
June 12, 1990

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  
June 14, 1990

Signature & Seal of  
Professional Surveyor

*John W. West*  
Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239



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APPLICATION FOR DRILLING  
SANTA FE ENERGY OPERATING PARTNERS, L.P.  
Young North AN 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	1,050'
Base Salt	2,450'
Yates	2,600
Seven Rivers	2,810'
Queen	3,730'
Penrose	3,980'
Grayburg	4,310'
Grayburg-San Andres	4,530'
Grayburg "C" Sand	4,615'
Delaware	4,990'
Bone Spring	6,190'
First Bone Spring Sand	7,890'
First Carbonate	8,190'
2nd Sand	8,580'
2nd Carbonate	9,140'
3rd Sand	9,250'
Wolfcamp	9,500'
Total Depth	10,800'

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

Water	Water is not expected to be encountered
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Oil or Gas	Grayburg 4,310' - TD
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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	8,300 - 8,400'
Wolfcamp	10,450 - 10,630'

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# PROPOSED BOPE AND CHOKE ARRANGEMENT

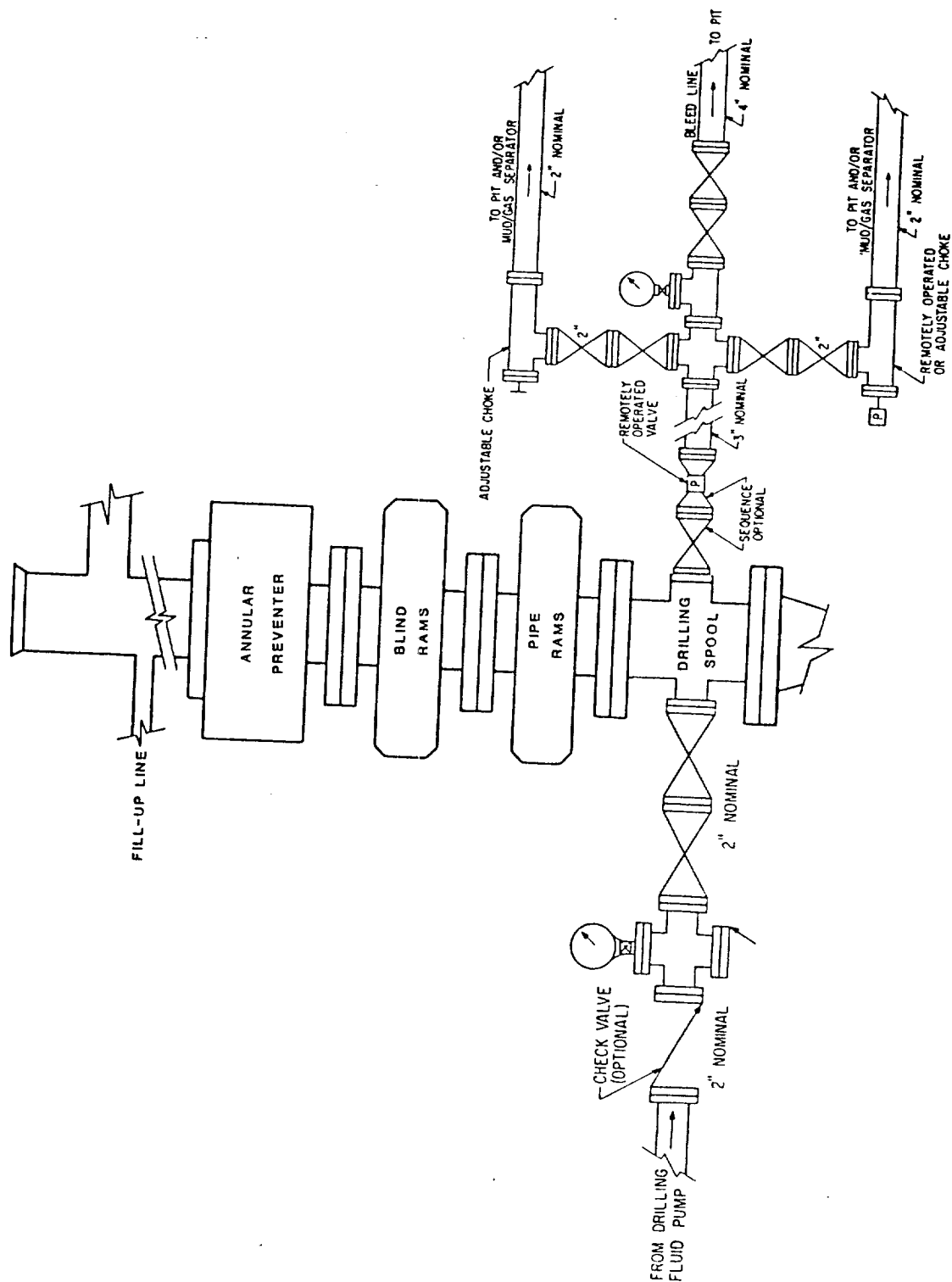


EXHIBIT B

SANTA FE ENERGY OPERATING PARTNERS, L.P.  
 YOUNG NORTH "AN" FEDERAL #2  
 660'-FSL & 990' FWL  
 SEC 8, T 18 S, R 32 E  
 LEA CO., NEW MEXICO

06/11/01 8224

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