

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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. NM-63018		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" 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 500 W. Illinois, Suite 500, Midland, TX 79701			8. FARM OR LEASE NAME Bilbrey 22A Federal		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FEL, 1980' FNL, Section 22, T-21S, R-32E At proposed prod. zone			9. WELL NO. 1		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 36 miles NW of Jal, NM			10. FIELD AND POOL, OR WILDCAT Und. Bilbrey Morrow		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1980'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 22, T-21S, R-32E		
16. NO. OF ACRES IN LEASE 320			12. COUNTY OR PARISH Lea		
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE NM		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A			20. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3759.2' GR			22. APPROX. DATE WORK WILL START* 09-01-90		

PROPOSED CASING AND CEMENTING PROGRAM					Secretary's Potash
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
17 1/2"	13 3/8"	48.0	650'	1175 cu.ft. <u>circulated</u>	
12 1/4"	9 5/8"	40.0	4,600'	3892 cu.ft. <u>circulated</u>	
8 1/2"	7"	26.0 & 29.0	12,000'	1200 cu.ft. <u>circulated</u>	
6"	4 1/2"	13.5	11,500-15,000'	600 cu.ft.	

13 3/8" casing will be cemented with sufficient Class "C" cement containing 4% gel, 1/4#/sk cellofane flakes to circulate to surface when followed by 330 cu.ft. of Class "C" with 2% Calcium Chloride.

9 5/8" casing to be cemented with sufficient lite cement to circulate to surface when followed by 262 cu.ft. Class "C" containing 2% Calcium Chloride.

7" casing to be cemented with 50/50 Class "H" Poz containing 6# salt per sack and 0.6% fluid loss reducer to bring cement to 8000'.

4 1/2" casing to be cemented with sufficient Class "H" cement containing 0.6% fluid loss reducer, 0.4% friction reducer, 0.6% gas block agent and 5#/sk KCl to fill to 300' above liner top. All cement to weigh at least 1 ppg more than mud weight used to drill the interval.

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 Danell Roberts TITLE Senior Drilling Engineer DATE 7-12-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
ORIG. SIGNED BY Richard L. Manus AREA MANAGER
APPROVED BY _____ TITLE CARLSBAD RESOURCE DATE 8-15-90

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

RECEIVED

JUL 18 11 12 AM '90

CARLETON COLLEGE
AREA OFFICE
ST. LOUIS, MO

AUG 1 1990

1-11

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

State of New Mexico
Energy, Minerals and Natural Resources Dep. .nt

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

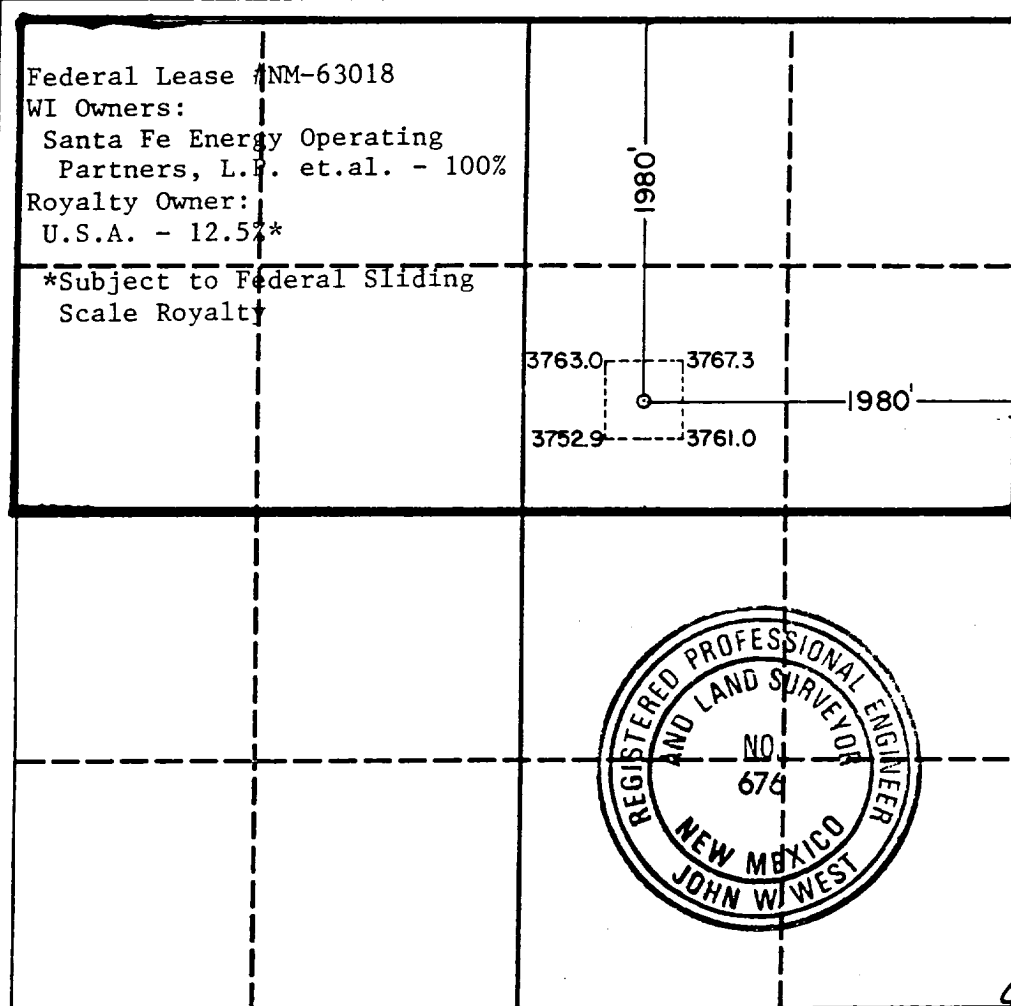
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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 Bilbrey 22A Federal		Well No. 1
Unit Letter G	Section 22	Township 21 South	Range 32 East	County Lea	
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line					
Ground level Elev. 3759.2	Producing Formation Morrow		Pool Und. Bilbrey Morrow		Dedicated Acreage: 320 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 See below
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
July 11, 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 July 2, 1990

Signature & Seal of
Professional Surveyor

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

PROPOSED BOPE AND CHOKE ARRANGEMENT

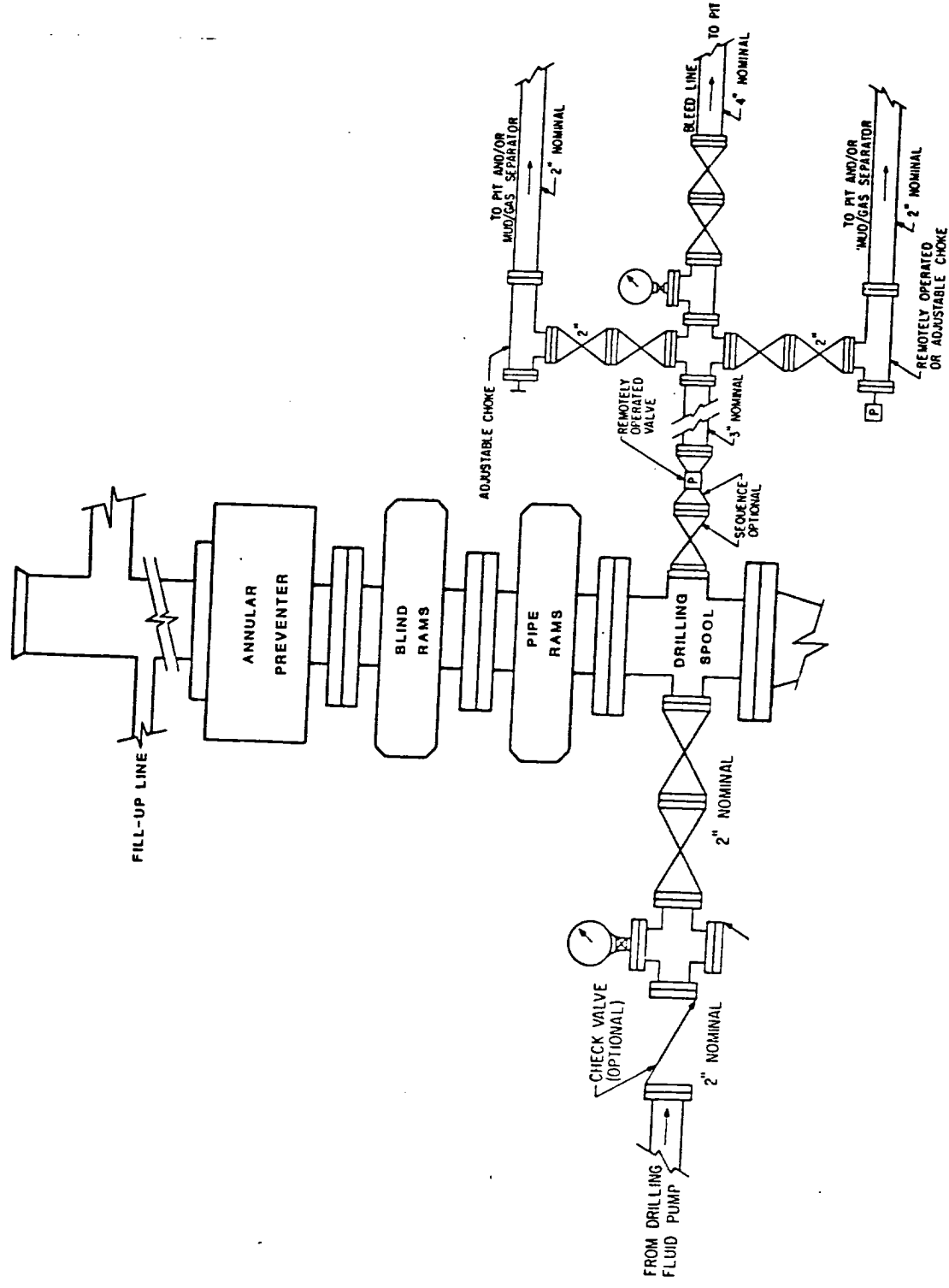


EXHIBIT B

SANTA FE ENERGY OPERATING PARTNERS, L.P.
 BILBREY 22A FED. #1
 SEC. 22, T 21 S, R 32 E
 1980' FNL & 1980' FEL,
 LEA COUNTY, NEW MEXICO