

DRILLING PROGRAM

SANTA FE ENERGY RESOURCES, INC.

Thistle Unit No. 2

In conjunction with Form 3160-3, Application to Drill the subject well, Santa Fe Energy Resources, Inc. submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 1.

1. **Geologic Name of Surface Formation:** Alluvium

2. **Estimated Tops of Significant Geologic Markers:**

Rustler Anhydrite	1300'
Base of Salt	4700'
Delaware Lime	5200'
Brushy Canyon	8750'
Bone Spring	8950'
Wolfcamp	12200'
Strawn	14000'
Atoka	14300'
Morrow	14900'
Lower Morrow	15750'
Total Depth	16000'

3. **The estimated depths at which water, oil or gas formations are expected:**

Water	None expected in area
Oil	Delaware @ 7400'
Gas	Atoka @ 14300'
	Morrow @ 14900'

4. **Proposed Casing Program:** See Form 3160-3 and Exhibit A

5. **Pressure Control Equipment:** See Exhibit B

6. **Drilling Fluid Program:** See Exhibit C

7. **Auxiliary Equipment:** A mud logging unit will be utilized to monitor penetration rate and hydrocarbon shows while drilling below 5100' to TD.

8. **Testing, Logging and Coring Program:**

Drill Stem Tests: (all DST's to be justified on the basis of valid show of oil or gas):

Delaware	7400'
Wolfcamp	13000'
Atoka	14300'
Morrow	14900'

Logging:

Dual Laterolog W/MSFL and Gamma Ray	5100'-12500' & 12500'-16000'
Compensated Neutron/Litho-Density/Gamma Ray	5100'-12500' & 12500'-16000'
Compensated Neutron/Gamma Ray (thru csg)	Surface-5100'

Coring: No conventional cores are planned.

