

N.M. OIL
2. BOX
BOBBS
DEPARTMENT OF
BUREAU OF LAND

OPER. OGRID NO. 20305
PROPERTY NO. 1892
POOL CODE _____
EFF. DATE 5/20/96
API NO. 30-025-33455

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERM

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Santa Fe Energy Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

550 W. Texas, Suite 1330; Midland, Texas 79701 (915) 682-6373

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

At surface

(F) 1930' FNL & 1980' FWL

At proposed prod. zone

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

24 miles east of Loving, New Mexico

15. DISTANCE FROM PROPOSED*

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

1930'

16. NO. OF ACRES IN LEASE

1280

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

8750'

20. ROTARY OR CABLE TOOLS

Rotary

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

3534' GR

22. APPROX. DATE WORK WILL START*

May 15, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	H-40 13 3/8"	48.0	600'	600 sx to circulate
11"	K-55 8 5/8"	32.0	4550'	1300 sx to circulate
7 7/8"	K-55 5 1/2"	17.0	8750'	tie back to 4400'

We propose to drill to a depth sufficient to test the Bone Spring formation for oil. If productive, 5 1/2" casing will be run to TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as per Onshore Oil and Gas Order No. 1 are outlined in the following attachments:

Drilling Program

Exhibit A - Operations Plan
Exhibit B - BOP and Choke Manifold
Exhibit C - Drilling Fluid Program
Exhibit D - Auxiliary Equipment

Exhibit E - Topo Map at Location
Exhibit F - Map Showing Existing Wells
Exhibit F (A) - Plat of Location
Exhibit G - Well Site Layout
Surface Use and Operations Plan

Santa Fe Energy Resources, Inc. accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described above.

Bond Coverage: Blanket Bond

BLM Bond File No.: MT 0750

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

James P. Phil Stinson

TITLE Agent for Santa Fe Energy

DATE 4-8-96

(This space for Federal or State office use)

PERMIT NO.

General Requirements and
Special Stipulations
Attached

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY (ORIG. SGD.) RICHARD L. MANUS

TITLE

DATE

*See Instructions On Reverse Side