

SANTA FE ENERGY COMPANY  
OPERATIONS PLAN  
N. H. 5 Federal No. 2

1. Drill a 17 1/2" hole to 450'.
2. Run 13 3/8" 48.0 ppf H-40 casing. Cement with 470 sacks Class C containing 2% Calcium Chloride. Run Texas Pattern shoe on bottom and float collar one joint above shoe. Run centralizers on every other joint above shoe. Apply thread lock to bottom two joints, float collar, and guide shoe.
3. Wait on cement six hours.
4. Cut off casing. Nipple up and install BOP system.
5. Test casing to 600 psi after cement has attained 500 psi compressive strength.
6. Drill an 11" hole to 4550'± (50' into San Andres).
7. Run logs.
8. Run 8 5/8" K-55 casing. Cement with sufficient 65/35 Class C poz containing 6% gel, 3% salt, 1# celloflakes followed by 360 sacks Class C Neat to circulate cement to surface. Centralize bottom 1000' of casing with one centralizer on every third joint above shoe. Run guide shoe on bottom and float collar two joints above shoe. Apply thread lock to bottom two joints, float collar, and shoe.
9. Wait on cement six hours.
10. Cut off 13 3/8" casing head. Install 8 5/8" casing head. Install BOP stack and choke manifold.
11. Test BOP stack and choke manifold to 5000 psi. Test casing to 1500 psi.
12. Drill 7 7/8" hole to TD.
13. Run Logs.
14. Either P&A per BLM instructions or run 5 1/2" casing. If 5 1/2" casing is run, cement with sufficient Class H cement containing 1.25% flo lock 0.2% defoamer, and 2% KCl to cover possible producing intervals with 500' of cement.

Exhibit A  
Santa Fe Energy Company  
N. H. 5 Federal No. 2  
Sec. 5, T-16S, R-34E  
Lea County, New Mexico