

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE
N.M. Oil Division
811 S. 1st St.
Artesia, NM 88210-2834

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

clsf

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____			5. LEASE DESIGNATION AND SERIAL NO. NM-83037		
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Santa Fe Energy Resources, Inc.			7. UNIT AGREEMENT NAME		
3. ADDRESS AND TELEPHONE NO. 550 W. Texas, Suite 1330, Midland, TX 79701			8. FARM OR LEASE NAME, WELL NO. Jones Canyon "4" Federal #2		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface (J). 1505' FSL & 2381' FEL, Sec. 4, T-22S, R-24E At top prod. interval reported below			9. API WELL NO. 30-015-28779		
At total depth			10. FIELD AND POOL, OR WILDCAT Indian Basin (Upper Penn) Assoc.		
14. PERMIT NO.			DATE ISSUED		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 4, T-22S, R-24E
15. DATE SPUNDED 2/4/96			16. DATE T.D. REACHED 1/2/98		12. COUNTY OR PARISH Eddy
17. DATE COMPL. (Ready to prod.) 2/13/98			18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4141' GR		13. STATE NM
20. TOTAL DEPTH, MD & TVD 11,320'		21. PLUG, BACK T.D., MD & TVD RBP @ 8412'	22. IF MULTIPLE COMPLETIONS, HOW MANY* N/A		19. ELEV. CASINGHEAD
23. INTERVALS DRILLED BY ACCEPTED FOR RECORD JUL 6 1 1993 acs					25. WAS DIRECTIONAL SURVEY MADE No
24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* 7955'-8194' (Upper Penn)					27. WAS WELL CORED No
26. TYPE ELECTRIC AND OTHER LOGS RUN CNL/LDT/GR; DLL/MSFL					

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8" K-55	36.0#	1600'	12-1/4"	1000 sx "H", C-Lite & "C"	Circ'd
7" K-55	26.0#	8565'	8-3/4"	480 sx C1 "H"	None

LINER RECORD				TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
4-1/2"	8450'	10,993'	280 C-Mod		2-7/8"	8301'	N/A

31. PERFORATION RECORD (Interval, size and number) 7955'-8194' (148 holes) 2 JSPF	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	7955'-8194'	20,000 gals gelled 20% HCl & 165 ball sealers.

33. PRODUCTION							
DATE FIRST PRODUCTION 2/14/98		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Submersible pump				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 3/29/98	HOURS TESTED 24 hrs	CHOKE SIZE N/A	PROD'N. FOR TEST PERIOD →	OIL - BBL. 79	GAS - MCF. 244	WATER - BBL. 4020	GAS - OIL RATIO 3089
FLOW. TUBING PRESS. N/A	CASING PRESSURE 280	CALCULATED 24-HOUR RATE →	OIL - BBL. 79	GAS - MCF. 244	WATER - BBL. 4020	OIL GRAVITY - API (CORR.) 42.1 deg	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold - Yates Petroleum						TEST WITNESSED BY	
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35. LIST OF ATTACHMENTS C-104, Deviation Surveys, Logs							
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36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

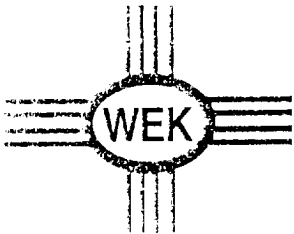
SIGNED Suzanne McCullough TITLE Sr. Production Clerk DATE 4/27/98

(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Cisco/Canyon	7952	8394'	Oil, Gas, Water	San Andres	1205	
				Glorietta	2758	
				Yeso	2903	
				Bone Spring	4959	
				3rd BS Sand	7247	
				Wolfcamp	7688	
				Cisco/Canyon	7952	
				Strawn	9090	
				Atoka	9502	
				Morrow	9718	
				Middle Morrow		
				Lime Marker	9800	
				Lwr Morrow Lime	9954	
				Chester	10048	
				Miss Lime	10579	
				Woodford Shale	10943	
				Devonian	11000	



KEN REYNOLDS-PRESIDENT
GARY W. CHAPPELL-VICE PRESIDENT

DRILLING CO., INC. - OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498
505/623-5070 505/746-2719
ROSWELL, NM ARTESIA, NM

February 26, 1996

Santa Fe Energy Resources, Inc.
550 W. Texas, Suite 1330
Midland, Texas 79701


RE: Jones Canyon "4" Federal #2

Gentlemen:

The following is a deviation survey on the above referenced well located in Eddy County, New Mexico.

290' - 3/4°	2100' - 3/4°	4540' - 1°	6425' - 1 1/4°
609' - 3/4°	2575' - 1 3/4°	5040' - 2 1/4°	6806' - 1°
917' - 3/4°	3075' - 1 1/2°	5519' - 3°	7299' - 2 1/4°
1169' - 3/4°	3575' - 1°	5739' - 2 1/4°	7457' - 2°
1600' - 1°	4075' - 1/2°	5927' - 2°	7957' - 1 3/4°
			8456' - 2°
			8560' - 2 1/2°

Sincerely,

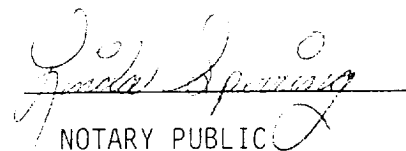

Gary W. Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 26th day of February 1996 by Gary W. Chappell.

MY COMMISSION EXPIRES

October 07, 1996


NOTARY PUBLIC

JANUARY 15, 1998

WELL NAME AND NUMBER: JONES CANYON "4" FED #2
LOCATION: Sec. 4 T22S R24E
OPERATOR: SANTA FE ENERGY RESOURCES
DRILLING CONTRACTOR: PATTERSON DRILLING

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE AND DEPTH		DEGREE AND DEPTH		DEGREE AND DEPTH	
2.25	8429	3.00	9600	3.75	10353
2.50	8665	3.00	9693	3.50	10416
2.50	8880	2.75	9840	4.00	10570
2.25	9104	2.75	9976	3.75	10993
2.25	9351	3.00	10227		

Drilling Contractor: Patterson Drilling

By: Billy Jensen
Billy Jensen

Subscribed and sworn to before me this 15th day of Jan. 1998.

My Commission Expires:
June 30, 2001

Mary G. Henson
Mary G. Henson