

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

clsr
up

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

JUL 30 1997

OIL CON. DIV

| | |
|--|--|
| WELL API NO. | 30-015-29691 |
| 5. Indicate Type of Lease | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name | Spud "16" State |
| 8. Well No. | 1 |
| 9. Pool name or Wildcat | Wildcat Laguna Salado (BS) |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) | 2961' |

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
Santa Fe Energy Resources, Inc.

3. Address of Operator
550 W. Texas, Suite 1330, Midland, TX 79701

4. Well Location
Unit Letter P : 760 Feet From The South Line and 330 Feet From The East Line
Section 16 Township 23S Range 29E NMPM Eddy County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
|--|---|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | CASING TEST AND CEMENT JOB <input type="checkbox"/> |
| OTHER: _____ <input type="checkbox"/> | OTHER: _____ <input type="checkbox"/> |
| PLUG AND ABANDON <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| CHANGE PLANS <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

7/23/97: Spud 17-1/2" hole at 6:30 p.m. Drlg.

7/24/97: TD 17-1/2" hole at 356'. RU casing crew. Ran 8 jts 13-3/8" 48.0# H-40 ST&C casing and set shoe at 356'. Cement casing w/ 400 sx Cl "C" + 2% CaCl2, first 200 sx contained 1/4 pps Flocele. Circulated 20 sx to pit. Plug down at 2:30 a.m. WOC. Cut casing off and weld on head. Test weld to 500 psi, ok. NU BOP. Test BOP to 500#, ok. WOC. PU BHA and TIH. Tag hard cmt at 280'. WOC.

7/25/97: WOC total of 25 hours. Resume drilling operations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Terry McCullough TITLE Sr. Production Clerk DATE 7/28/97

TYPE OR PRINT NAME Terry McCullough TELEPHONE NO. 915/687-3551

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY TIM W. GUM TITLE _____ DATE AUG 5 1997
DISTRICT II SUPERVISOR

CONDITIONS OF APPROVAL, IF ANY: