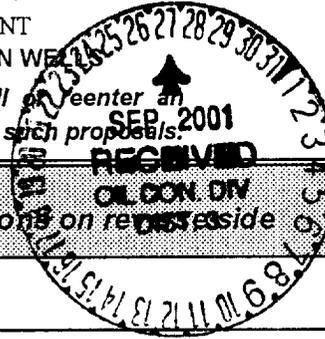


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.



**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
 Elm Ridge Resources, Inc.

3a. Address  
 PO Box 189, Farmington, NM 87499

3b. Phone No. (include area code)  
 505-632-3476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 Sec. 13-T23N-R5W  
 990' FSL & 990' FEL

5. Lease Serial No.  
 Jic Contract 78

6. If Indian, Allottee or Tribe Name  
 Jicarilla Apache Tribe

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
 Axi Apache F-2

9. API Well No.  
 30-039-05055

10. Field and Pool, or Exploratory Area  
 Ballard Pictured Cliffs

11. County or Parish, State  
 Rio Arriba, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input checked="" type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Elm Ridge Resources, Inc. currently has a rig in the Lybrook area. We propose to move the rig on the Axi Apache F-2 by the Fall 2001 and determine at that time what the problem is with the well.

Certified Return Receipt # 7000 1670 0013 8142 7355

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Trudy Grubelnik	Title Production Assistant
Signature <i>Trudy Grubelnik</i>	Date August 30, 2001

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <b>/s/ Brian W. Davis</b>	Title <b>Lands and Mineral Resources</b>	Date <b>SEP 15 2001</b>
Conditions of approval, if any, are attached. Approval of this notice 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.		Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.