



December 19, 2001

Mr. David K. Brooks
Ass. General Counsel
NM Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Case No. 12771
Saba Energy Properties in Lea County
San Simon 5 State #2 and Fern Guy #1

Dear Mr. Brooks:

In an attempt to bring our properties into compliance with Division Rule 201.B, we are enclosing courtesy copies of Form C-103 which have been sent to the District Offices in Hobbs, New Mexico.

We trust that these applications to place our properties in "temporary abandonment status" will stay any civil penalties.

Should you need further information or have other questions, please feel free to contact the undersign.

Yours truly,

A handwritten signature in black ink, appearing to read "Mike Montes, Jr.", written in a cursive style.

Mike Montes, Jr., Esq.
Office of Corporate Affairs

Cc Houston Office
File

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-125-3448
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 023608
7. Lease Name or Unit Agreement Name: Fern Guy
8. Well No. #1
9. Pool name or Wildcat Tatum
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4022 RKB

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
 Saba Energy of Texas, Inc.

3. Address of Operator: 3000 Wilcrest, Ste. 220; Houston, Texas 77042

4. Well Location
 Unit Letter M : 400 feet from the SOUTH line and 990 feet from the WEST line
 Section 5 Township 13 S Range 36 E NMPM County LEA

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	<input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

INTENT TO PERFORM A MECHANICAL INTEGRITY TEST BY JANUARY 11, 2002.

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

SIGNATURE Susan M. Whalen TITLE Secretary DATE 12/19/01

Type or print name Susan M. Whalen Telephone No. (805) 347-8700

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

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 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-28480
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 018031
7. Lease Name or Unit Agreement Name: San Simon 5 State
8. Well No. #2
8. Pool name or Wildcat San Simon-Strawn
4. Well Location Unit Letter <u>G</u> : <u>1980</u> feet from the <u>NORTH</u> line and <u>1980</u> feet from the <u>EAST</u> line Section <u>5</u> Township <u>22 S</u> Range <u>35 E</u> NMPM County <u>LEA</u>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3641 RKB

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MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: <input type="checkbox"/>
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