

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to 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 <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. LC 060898
2. Name of Operator Saga Petroleum LLC		6. If Indian, Allottee or Tribe Name
3a. Address 415 W Wall, Suite 1900, Midland, TX 79701	3b. Phone No. (include area code) (915)684-4293	7. If Unit or CA Agreement, Name and/or No. Agreement 8910087730
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 4620' FSL & 660' FEL Sec 3 W , T16S, R30E 9		8. Well Name and No. W Henshaw Premier Ut Tr 2 Well #1
		9. API Well No. 30-015-03838
		10. Field and Pool, or Exploratory Area West Henshaw Grayburg
		11. County or Parish, State Eddy County NM

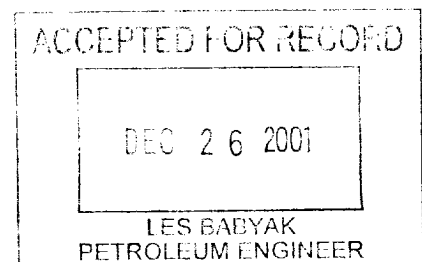
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input checked="" 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 checked="" 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 Operation (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 recompleat horizontally, give subsurface locations 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 recompleat 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.)

TD 2958', PBTD 2942', CIBP @ 2741' - Perfs 2841'-2850', 2854'-2857'
11" Hole - 8-5/8" 32# @ 415' w/250 sx, circ surf
7-7/8" hole - 5-1/2" 15.5# @ 2958' w/200 sx, TOC Calc 1798'

12-21-2001 Pressure up to 520 psi held for 30 mins - good test
Witnessed by Artesia OCD & BLM's Gene Hunt
Original Chart attached w/copy to Artesia OCD



Temporary Abandoned Status approved
until 12-21-2002

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Bonnie Husband

Title
Production Analyst

Signature

Bonnie Husband

Date

12/21/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

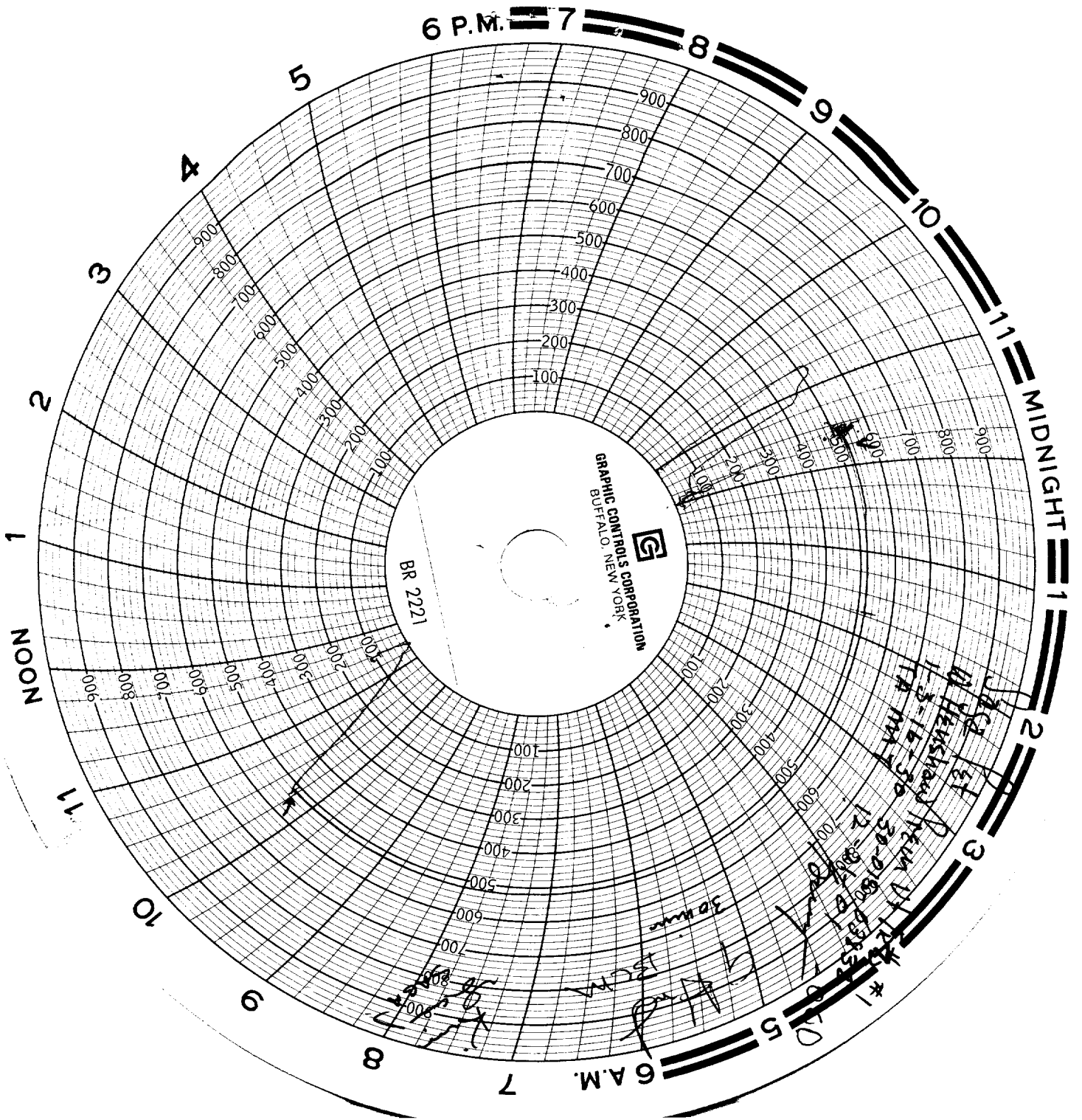
Office

Date

1-10-01

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.

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.





4620' FSL + 660' FEL
3165' 30E
Eddy County, NM