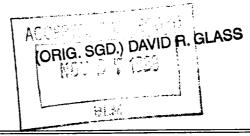
Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135 A Expires: March 31, 1993

BUREAU OF	LAND MANAGEMENT	5. Lease Designation and Serial No.	
SUNDRY NOTICES	AND REPORTS ON WELLS?	NM - 0415688 - A 6. If Indian, Allottee or Tribe Name	
Do not use this form for proposals to dr	ill or to deepen or reentry to a different reservoir.	o. If Indian, Another of Tribe Name	
Use "APPLICATION FO	R PERMIT—" for such profisals 150	6 · · · · · · · · · · · · · · · · · · ·	
		57/ If Unit or CA, Agreement Designation	
SUBMIT	IN TRIPLICATE RECENTES OF ARTES	The old of CA, Agreement Besignation	
1 Type of Well	(a)		
Well Gas Other	7.00	8. Well Name and No.	
2. Name of Operator	197 CL 64	Old Indian Draw Unit No	
Altura Energy LTD	· · · · · · · · · · · · · · · · · · ·	9. API Well No.	
3. Address and Telephone No.	Attn: Mark Stephens, 338-B	30-015-21765	
P.O. Box 4294, Houston, TX 77210-4294 (281) 552-1158		10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey D	escription)	Indian Draw - Delaware	
10 02021 TDT	107/1 mm m 22 c n 20 E	11. County or Parish. State	
Letter F, Sec. 18, 2323' FNL	x 1974' FWL, T-22-8, R-28-E	nii c v v	
		Eddy Co., New Mexico	
CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
Notice of Intent	Abandonment	Change of Plans	
	Recompletion	New Construction	
X Subsequent Report	Plugging Back	Non-Routine Fracturing	
	Casing Repair	Water Shut-Off	
Final Abandonment Notice	Altering Casing	Conversion to Injection	
	X Other Drill 900' horizonta		
	into the Cherry Canyon	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled,			
give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*			
(0.17.100)			
See attached for description of operations $(2/4/98 - 3/5/98)$			

Note: Attached also are 3 copies of the Gyroscopic Multi-Shot Survey run from surface to a depth of 3098' MD.



14. I hereby certify that the foregoing is true and correct		
Signed Mark Stephens	Title Business Analyst (SG)	Date10/21/98
(This space for Federal or State office use)		
Approved by	Title	Date

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.

Old Indian Draw Unit No. 7 API No. 30-015-21765 Eddy Co., New Mexico

2/4/98 - 2/8/98:



MI x RU reverse unit x lay down kill string. Set cement retainer @ 3068'. Squeeze with 150 sx. Cl. C w/2% CACL x 300 sx. Cl. C. Reverse out 5 bbl cement. WOC. Tag cement at 3005'. Drill cement x cement retainer. Fell out of cement @ 3052'. Circulate clean. RU wireline truck and found top of CIBP at 3174'. Set 15,000# on CIBP. Run DC's x tbg. Pull x lay down. Release rig.

2/10/98 - 2/16/98:

MI x RU drilling rig. Displace casing w/2% KCL water. Run gyro survey x set whipstock at 266 deg., top of whipstock at 3144'. Mill out casing. TOH. PU watermelon mill and string mill. Cut formation x open up window. Finish milling out window (top @ 3143.1', bottom @ 3150.5'). Circulate x lay down mills. Run gyro to orient motor and drill 900' horizontal into the Cherry Canyon. Circulate x displace w/clean 2% KCL water. LDDC x directional tools. Make up RBP x run x set at 3043'. Finish laying down DP x RD.

2/17/98 – 2/26/98:

MI x RUSU. Swab well. RDSU.

3/2/98:

MI x RU CTU. RIH with 1-1/2" coil tubing w/DSP x jet washing tool x tag @ 4207'. Pull up to 4100' x pump 200 gal. 6% HCL with N2 followed by 1000 gal. 6/1.5 MSR mud acid evenly through zone 4100' - 4000' while pulling coil tubing x 2.1 BPM liquid (24 bbls) x 680 SCFM N2 (7600 SCF total) in each zone. Stop coil tubing x pump 8 bbl 2% KCL water spacer then reel volume + 1000 gal. foamed KCL for diverter in 9 stages: 4100' - 4000', 4000' - 3930', 3930' - 3860', 3860' - 3790', 3790' - 3720', 3720' - 3650', 3650' - 3580', 3580' - 3510', 3510' - 3440'. Jet well x pull coil tubing out of well. RD CTU.

3/3/98 – 3/5/98:

MI x RUSU. Make swab runs. RD x turn well over to production for further evaluation.