|  |                          |  |                               | n <b>- 1</b> . (              |                          |  | 1 C             |  |
|--|--------------------------|--|-------------------------------|-------------------------------|--------------------------|--|-----------------|--|
| Form 3160-5<br>(June 1990)   | DEPARTMEN                | TED STATES<br>T OF THE INTERIOR<br>AND MANAGEMENT                      |                               |                               | 5. Le                    | FORM APPROVED<br>Budget Bureau No. [06<br>Expires: March 31,<br>case Designation and Seri- | )4-0135<br>1993 |  |
| Do not use this form   | for proposals to drill ( | D REPORTS ON WEL<br>or to deepen or reentry<br>PERMIT - " for such pro | to a different res            | EIVED<br>servoir.<br>18 A 10: | <u>NM 8</u><br>5f.<br>DЧ | 6542<br>Indian, Allottee or Tribe  | Name            |  |
|  |                          | Unit of CA, Agreement I  | Designation                   |                               |                          |  |                 |  |
| 1. Type of Well<br>Oil Gas<br>Well Well  | Other                    |  | BUREAU UI<br>Rosvie           | LL OFFICE                     |                          | ll Name and No.  |                 |  |
| 2. Name of Operator<br>Santa Fe Energy Resources, Inc.                                   |                          |  |                               |                               |                          | Federal AE #1  |                 |  |
| 3. Address and Telephone No.<br>550 W. Texas, Suite 1330, Midland, TX 79701 915/687-3551 |                          |  |                               |                               |                          | 30 - 025 - 23027<br>10. Field and Pool, or exploratory Area                                |                 |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)                   |                          |  |                               |                               |                          | signated (Del  |                 |  |
|  |                          |  | JUN 23                        | 1997                          | 11. Ca                   | ounty or Parish. State<br>Eddy   | NM              |  |
| 12. CHECK API  | PROPRIATE BOX(s)         | TO INDICATE NATU   | JRE OF NOTICE,                | REPORT, C                     |                          | HER DATA   |                 |  |
|  | AISSION                  | ·  | TŶPE (                        | OF ACTION                     |                          |  |                 |  |
| Notice of In   |                          | Recom  | onment<br>pletion             |                               |                          | Change of Plans<br>New Construction  |                 |  |
| ·  | onment Notice            | Casing   | ng Back<br>Repair<br>g Casing |                               |                          | Non-Routine Fracturing<br>Water Shut-Off<br>Conversion to Injection                        |                 |  |
|  |                          | X Other  | Complete re                   | e-enter                       | (Note:                   | Dispose Water<br>Report results of multiple com<br>letion or Recompletion Report           |                 |  |

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.)\*

5/20/97: Drlg 2739-2870'. Circ well clean, test csg to 500 PSI for 30 mins., ok. Change out hydril & blade bit (hydril leaking oil). TIH w/6¼" mill-tooth bit to 3237'.

5/21/97: Drl'd out CIBP @ 3237'. Circ hole clean. Attempt to inject into perfs w/ 500#, no injection rate. TOH.

5/22/97: MIRU Schlumberger. Log well w/Ultrasonic Imaging tool f/3900-2700'. RD Schlumberger. TIH w/bit to 3777'.

5/23/97: Circ well & cond mud. TOH. PU BHA & TIH to 2881'. Work thru tight spot (6-1/2" stabilizer at 2800' - bad casing). TOH to laydown stabilizer. TIH to 3500'. Picked up swivel & packoff. Cut thru casing at 3500'. Mill csg from 3500' to 3503'.

5/24/97: Milling f/3503-3519'. Pump sweep & circ. Milling 3519-3525'.

| 14. I hereby contract that the foregoing is the and correct   | Title   | ir. Production Clerk  | <u>Date</u> 6/16/97                                 |
|---|---------|---|---|
| (This space for Federat or State office use)<br>Approved by<br>Conditions of approval, if any:  | Title . | ACCEPTED FOR REGORD<br>JUN 1 9 1337   | Date  |
| Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly<br>or representations as to any matter within its jurisdiction. |         | Ily p make to any department or agency of the United 1<br>BL 34<br>Truction on Reverse Side | States any false, fictitious or fraudulent statemer |