

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT - " for such proposals

5. Lease Designation and Serial No.
NM-57273
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Santa Fe Energy Resources, Inc.

3. Address and Telephone No.

550 W. Texas, Suite 1330, Midland, TX 79701915/687-3551

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

(G). 1800' FNL & 1980' FEL, Sec. 7, T-24S, R-31E

7. If Unit or CA. Agreement Designation

8. Well Name and No.
Palladium "7"
Federal No.2

9. API Well No.

N/A

10. Field and Pool, or exploratory Area

Undesignated (Delaware)

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

- Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Spud & ran casing
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(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.)*

12/26/96: Spud 17-1/2" hole at 6:45 a.m. Dr'l'd to 425' (TD). RU casing crew and ran 9 jts 13-3/8" 48.0# H-40 ST&C casing and set at 425'. Cemented w/ 250 sx C1 C containing 6% gel & 2% CaCl2. Tail w/ 200 sx C1 C Neat. Circ'd 65 sx to pit. WOC.

12/27/96: WOC. NU hydril. Test casing to 600 psi for 30 minutes, held okay. WOC total of 24 hours. Resume drilling operations.

ACCEPTED FOR RECORD
BY DAVID R. GLASS
JAN 3 7 1997

RECEIVED
JAN 6 10 00 AM '97

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

Signed

[Signature]

Title Sr. Production Clerk

Date 12/31/96

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any: