Submit 3 Copies State of New Mexico Form C-103 to Appropriate Energy, Minerals and Natural Resources Department Revised 1-1-89 District Office **OIL CONSERVATION DIVISION** DISTRICT I P.O. Box 1980, Hobbs NM 88241-1980 WELL API NO. 2040 Pacheco St. DISTRICT II 30-015-30229 Santa Fe, NM 87505 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease FEE X STATE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. 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" 7. Lease Name or Unit Agreement Name (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Chaparral "10" GAS WELL X OTHER 2. Name of Operator 8. Well No. RECEIV Santa Fe Energy Resources, Inc. 3. Address of Operator 9. Pool name or Wildcat 550 W. Texas, Suite 1330, Midland, TX 79701 Salt Draw; Morrow Gas 4. Well Location Unit Letter F 1980 Feet From The North 1980 Line and Feet From The West Line 10 Section Township 25-S 28E Range NMPM Eddy County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 2926' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT PULL OR ALTER CASING X CASING TEST AND CEMENT JOB OTHER: OTHER: 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.

5/15/98: TD 12-1/4" hole at 2537'. RU csg crew and begin running 9-5/8" 36.0# csg.

5/16/98: Finish running 9-5/8" csg, set shoe @ 2537', FC @ 2452'. RU BJ Services and cemented w/800 sx 50:50 Poz C containing 10% gel. Tail in w/200 sx Cl "C" + 2% CaCl2. Plug down at 3:30 a.m. Circ'd 43 sx to pit, float held ok. ND stack, set slips. Install B-section & test. NU BOPs. Test blind rams & manifold to 2000#, ok. PU BHA.

5/17/98: Finish PU BHA. Test pipe rams to 2000#, held ok. Test hydril to 1500#, ok. TIH and tag cmt at 2428'. WOC total of 24 hrs. Resume drilling operations.

I hereby certify that the information above is true and complete to the best of my kno	owledge and belief.		<u> </u>
SIGNATURE JANY MCCullough	TITLE Sr. Production Clerk	DATE	5/21/98
TYPE OR PRINT NAME Terry McCullough		TELEPHONE NO.	915/687-3551
(This space for State Use) ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR			
APPROVED BY	TITLE	DATE	-27-98