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Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JAN 20 1996

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

SUNDRY NOTICES AND REPORTS ON WELLS OIL CON. DIV. NM-43744

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

Use "APPLICATION FOR PERMIT - " for such proposals

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)
 (D), 660' FNL & 660' FWL, Sec. 34, T-23S, R-31E

5. Lease Designation and Serial No.
 NM-43744

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Sterling Silver
 34 Federal #2

9. API Well No.
 30-015-27936

10. Field and Pool, or exploratory Area
 Ingle Wells (Delaware)

11. County or Parish, State
 Eddy Co., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Add additional pay</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)*

1/12/96: Perf'd Delaware interval from 7210'-7230' (40 holes) and treated to new perms w/ 2000 gals 7-1/2% NeFe acid and 60 ball sealers.

1/14/96

1/17/96: Fracture treated Delaware w/ 14,800 gal gel containing 49,160 lbs, 16/30 Ottawa sand and 12,360 lbs. 16/30 Ottawa RC sand.

1/18/96: Swabbed.

1/19/96: RIH w/ rods and pump. Hang well on.

1/20/96: Put well on production.

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

Signed [Signature] Title Sr. Production Clerk Date 01/26/96

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any: _____

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.