

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
HOBBS, NEW MEXICO 88240

Budget Bureau No. 1004-0135
Expires August 31, 1985

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—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. UNIT AGREEMENT NAME CATO UNIT
2. NAME OF OPERATOR KELT OIL & GAS, INC.	8. FARM OR LEASE NAME
3. ADDRESS OF OPERATOR 363 N SAM HOUSTON PKWY E, STE 1000, HOUSTON, TX 77060	9. WELL NO. 38 (Formerly: BAXTER FED #6)
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1980' FNL & 1980' FEL (SWNE) SEC 8-T8S-R30E	10. FIELD AND POOL, OR WILDCAT CATO - SAN ANDRES
14. PERMIT NO.	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 8-8S-30E N.M.P.M.
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 4031' KB 4021' GL	12. COUNTY OR PARISH CHAVES
	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

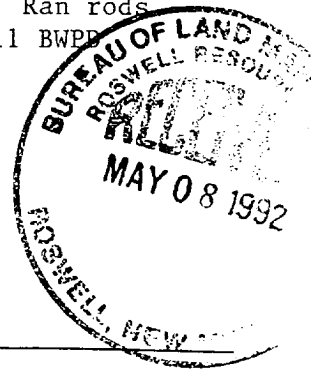
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input checked="" type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

17. 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.)*

Perforated and acidized the P2 zone of the San Andres formation.

On 3/23/92, RU PU and pulled rods and pump. Dropped SV and tstd tbg to 1500 psi. Held OK. POOH w/ tbg. Installed BOP. Ran GR-CCL log for correlation. RIH w/ CIBP and set @3202' KB. Perforated 3159-77' KB (2 SPF).

RU acid truck on 3/24/92 and acidized--down tbg w/ pkr set @3067--perfs from 3159-77 w/ 1500 gals 15% NEFE using balls as diverting agent. Flushed w/ 2% KCL plus 40 bbls overflush. Tripped tbg and recovered pkr. Ran tbg and released BOP. Installed wellhead. Swabbed on well to recover load. Ran rods and pump. Repaired pumping unit. IPP 4/16/92: 6 BOPD + 50 MCFD + 11 BWPD



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

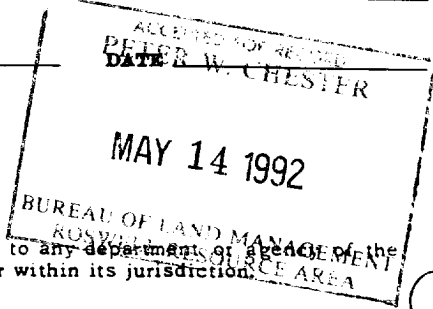
SIGNED M. Egerhart TITLE Petroleum Engineer DATE 4/30/92

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

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.



RECEIVED

MAY 18 1992

OCD HOBBS OFFICE