

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-26754
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	LG-7655
7. Lease Name or Unit Agreement Name	Max State
8. Well No.	1
9. Pool name or Wildcat	North Lusk Bone Spring

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 THE APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator	Santa Fe Energy Resources, Inc.
3. Address of Operator	550 W. Texas, Suite 1330, Midland, TX 79701
4. Well Location	Unit Letter <u>G</u> <u>1980</u> Feet From The <u>North</u> Line and <u>1780</u> Feet From The <u>East</u> Line
Section <u>32</u> Township <u>18S</u> Range <u>32E</u> NMPM	10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3691' GR</u>

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

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.

It is planned to isolate the current Bone Spring perms w/ a RBP set at 8600', spot 250 gals 7.5% HCl NeFe acid, and add Bone Spring perms from 8388'-8456' (10 holes). Re-acidize w/ 5000 gals 7.5% HCl NeFe and 25 ball sealers. If necessary the zone will be fracture treated w/ approx 40,000 gals 30# X-link gel and 126,000# 20/40 Ottawa sand.

After stimulation, the RBP will be removed, and the well placed back on production.

This work is scheduled to begin on May 5, 1997.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Terry McCullough

TITLE Sr. Prod. Clerk

DATE 5/2/97

TYPE OR PRINT NAME Terry McCullough

TELEPHONE NO. 915/687-3551

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY: