

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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 "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

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 G : 1980 Feet From The North Line and 1780 Feet From The East Line
Section 32 Township 18S Range 32E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3691' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- OTHER: _____
- PLUG AND ABANDON
- CHANGE PLANS

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING TEST AND CEMENT JOB
- OTHER: _____
- ALTERING CASING
- PLUG AND ABANDONMENT

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.

5/14/97: POOH w/pmp & rods, ND WH, NU BOP. POOH w/tbg, test to 7000# above slips going in hole w/RBP. Tbg set dwn @ 7258', POOH w/40 stds tbg. RU to cut paraffin.

5/15/97: Cut paraffin on 22 stds. POOH w/tbg & tools. RIH w/bit & scraper, tag up @ 7258'. Made 20' hole. Call for power swivel & rev unit.

5/16/97: Drl out 120' carbonate scale, ran bit to 9400' clean. POOH w/bit & scraper, PU RBP & pkr, RIH w/60 stds of tbg.

5/17/97: RIH w/RBP & pkr, set RBP @ 7308', pkr @ 7182'. Pmp into form @ 2 BPM w/1212 PSI. ISIP vac. RIH, set RBP @ 8600', test to 500#, ok. Spot 250 gal 7-1/2% Hcl NeFe acid. RIH w/ GR-CCL-BL & log 8581'-6600'

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 6/3/97

TYPE OR PRINT NAME Terry McCullough TELEPHONE NO. 915/687-3551

(This space for State Use)
Signed by
Paul Kautz
Geologist

APPROVED BY _____ TITLE _____ DATE 6/3/97

CONDITIONS OF APPROVAL, IF ANY: