Form 3160-5 FORM APPROVED UNITED STATES Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS NM-69596 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - " for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well X Gas Well Oil Well 8. Well Name and No. Gaucho Unit No. 2 2. Name of Operator Santa Fe Energy Resources, Inc. 9. API Well No. 3. Address and Telephone No. 30-025-33682 550 W. Texas, Suite 1330, Midland, TX 79701 915/687-3551 10. Field and Pool, or exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) (K), 1650' FSL & 1650' FWL. Sec. 29, T-22S, R-34E Wildcat (Morrow) 11. County or Parish, State NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction X Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Spud & ran casing Dispose Water ste: 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.)* 3/4/97: Spud 17-1/2" hole at 6:00 p.m. Drilling. $3/5/97\colon$ TD 17-1/2" hole @ 825'. RU casing crew and ran 18 jts 13-3/8" 48.0# H-40 ST&C casing, set at 825'. Cemented casing w/ 600 sx Cl "C" containing 6% gel. Tail w/ 250 sx Cl "C" + 2% CaCl2. Plug down at 4:45 p.m. Circ'd 125 sx to pit. WOC. ND conductor, cut casing off. 3/6/97: NU BOP, work on rig. PU BHA. 3/7/97: TIH. Test BOP and casing to 600 psi, ok. Resume drilling operations. Sr. Production Clerk (This space for Federal of State office use) Title Conditions of approval, if any:

or representations as to any matter within its jurisdiction

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