PENSON COMED (IN REGARDS to Wrong prop NAM PROP # 2/609 (Gaucho INIF) > Called Ste (Prav C.) to request Property code be corrected to also will more disposition to connect LETTER: ___ YES ___ NO MAILED: LOCATION: A Connection of Property & A

Form 3160-5 (November 1994)

UNLILD STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT N.M. Oil Corp.

FORM APPROVED					
Budget Bureau No.	1004-013				
Expires July 31	1996				

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Expires	July 31,	1996

CI BIDDY	NOTICES	AND	DEDODTS	ON	WE PO	108 16	
DUNDHI	MOTICES	AND	REPUR 13	UN	WELLS	s NIM	41

NM-69596

Do not use this	form for proposals	to drill or to	re-enter an ⁵	N.
handoned well	Hea Form 3160-3	(APD) for su	ch nronneale	

SUBMIT IN TRIPLICATE - Other instructions on reverse side

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

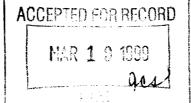
				i			
1. Type of Well Oil X Gas Well Other					nd No.	No. 5	_
2. Name of Operator				Gaucho Unit	-	NO. 5	
Santa Fe Energy Resources, Inc.				9. API Well No			_
3a. Address		3b. Phone No. (include area	code)	30-025-34149			
550 W. Texas, Suite 1330, Midland, T)	79701	915/687-3551		10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Descri					sor, or Expense	may moa	
(I), 1650' FSL & 660' FEL, Sec. 30,	T-22S, R-34E			West Ojo Ch	<u>iiso (Mor</u>	row)	
				11. County or P	arish, State		
				Lea		NM	
12. CHECK APPROPR	ATE BOX(ES) TO I	NDICATE NATURE OF NO	TICE, REPORT,	OR OTHER DA	ΓA		
TYPE OF SUBMISSION		TYP	E OF ACTION	•			
Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water SI	hut-Off	_
	Alter Casing	Fracture Treat	Reclamatio	n [Well Inte	grity	
X Subsequent Report	Casing Repair	New Construction	Recomplete	e [X Other	Continu	<u>ed</u>
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporaril	y Abandon	Completion	on Opera	<u> </u>
	Convert to Inject	ion Plug Back	Water Disp	osal .	tions		
 Describe Proposed or Coommpleted Operation (clear If the proposal is to deepen directionally or recomp 	ly state all pertinent det	ails, including estimated starting	g date of any pro- red and true vertice	posed work and a	approximate de pertinent mark	uration there	of.

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

The Middle Morrow 'C' sand was perforated at 13,296'-13,314' and 13,343'-13,348' and tested wet. A CIBP was set at 13,275' and capped with 20' of cement. The Grama Ridge A sand was then perforated from 12,940'-12,948' and 12,962'-12,968'. Initially there was no fluid entry. The well was swabbed down and shut-in for 48 hrs. Initial fluid level was 3100' from surface following the shut-in period. A temperature survey was run and indicated a channel behind pipe, possibly from the Middle Morrow "C" sand. An attempt to squeeze the channel by perforating 13,238'-13,239' was made, however a pump in rate could not be established. A CIBP was set at 13,230'.

3/9/99: The Middle Morrow 'A' was perforated from 13,114'-13,124' with 4 JSPF and the well is being

production tested.



	A Company of the Comp	Angele Court of the Control of the C	
14. I hereby certify that Name (Printed/Types	the foregoing is true and correct	Title	
	Cullough,	Sr. Production (Clerk
erus	McCallough	Date 3/10/99	
	THIS SPACE FO	R FEDERAL OR STATE OFFICE USE	
Approved by	CURVATE SELECTION WE SHOW IN		Date
certify that the applica-	if any, are attached. Approval of this notice doe nt holds legal or equitable title to those rights in pplicant to conduct operations thereon.	s not warrant or the subject lease	

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.