

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
P.O. Box 1980
Hobbs, NM 88241

FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-69596
2. Name of Operator Santa Fe Energy Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 550 W. Texas, Suite 1330, Midland, TX 79701	3b. Phone No. (include area code) 915/687-3551	7. If Unit or CA/Agreement, Name and/or No. Gaucho Unit No. 5
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) (I), 1650' FSL & 660' FEL, Sec. 30, T-22S, R-34E		8. Well Name and No. Gaucho Unit No. 5
		9. API Well No. 30-025-34149
		10. Field and Pool, or Exploratory Area West Ojo Chiso (Morrow)
		11. County or Parish, State Lea NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

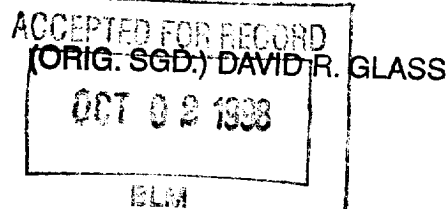
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Ran csg.</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. 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 recompleat 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.)

09/25/98: TD 12-1/4" hole at 5180'. RU csg crew and ran 116 jts 9-5/8" 40.0# N-80 & K-55 LT&C csg and set at 5180'. Float collar @ 5129'. DV tool @ 3355'.

09/26/98: RU Halliburton & cemented 1st stage w/ 150 sx Halliburton Lite followed by 200 sx C1 C-Neat. Bump plug to 400 psi. Open DV tool & set packer. Load hole & circ 4 hrs. Pumped 2nd stage w/ 800 sx Lite 65-35-6. Close DV tool, ok. PU BOPs, set slips w/ 215K#. Cut csg off. RU tester. Test blind rams to 5000 psi, ok. Test pipe rams to 5000 psi & ann to 2000 psi, ok. Ran temp log, TOC @ 2480'. PU BHA & TIH.

09/27/98: Test DV tool to 2000 psi, ok. LD 9 jts & TIH. Drlg plug FC, cmt & shoe. Drlg new 8-3/4" hole at 2:30 a.m. WOC total of 22-1/2" hours.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Terry McCullough	Title Sr. Production Clerk
	Date Sept. 29, 1998

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

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.

(Instructions on reverse)