

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

NM Oil Conservation
P.O. Box 198
Helms NM

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-92781
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. Gaucha Unit No. 7
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) (K). 1650' FSL & 1980' FWL, Sec. 17, T-22S, R-34E		9. API Well No. 30-025-34440
		10. Field and Pool, or Exploratory Area Ojo Chiso (Morrow)
		11. County or Parish, State Lea NM

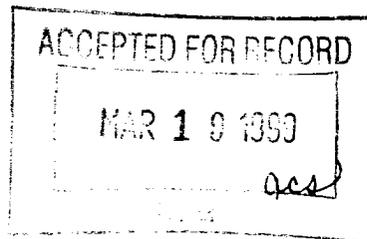
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Other <u>Completion</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<u>operations temp.</u>
			<u>suspended</u>

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 recomplete 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 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.)

Drilling of this well was completed on August 31, 1998, and Santa Fe is currently evaluating the economics of completing this well in a plugged back interval.

We are currently drilling an offset to the south of this well (Gaucha Unit #3) and awaiting the logs to aid in the evaluation of possible completion intervals.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Terry McCullough	Title Sr. Production Clerk
<i>Terry McCullough</i>	Date 3/10/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by WILLIAMS	Title	Date 3/10/99
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.

RECEIVED
MAR 12 1999
ELM
ROSWELL, NM

