

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene St. P. O. Box 1778 Carlsbad, New Mexico 88221-1778

IN REPLY REFER TO: 3162.4 NM-88134, NM-94623

DEC - 7 2000

Santa Fe Energy Resources Inc. 550 W. Texas Suite 1330 Midland, Texas 79701

Dear Operator:

Your Application for Permit to Drill (APD), for the following wells has expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

NM -88134 7/17/97	9-H. B. '11' Federal	750'/N & 2310'/E	Sec. 11-T24S-R29E	approved
NM-88134 1/29/98	7-H. B. '11' Federal	2460'/S & 1980'/W	Sec. 11-T24S-R29E	approved
NM-94623 1/25/99	1-Gaucho '28' Fed.		Sec. 28-T22S-R34E	approved 3D-025-34576

If drilling operations have commenced on the referenced well, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) to the Roswell Field Office, 2909 West Second Street, Roswell, New Mexico 88202, so we may correct our records.

If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (1 original and 5 copies) to the Roswell Field Office. Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements

including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing.

Sincerely,

Leslie A. Theiss

Carlsbad Field Office

cc: BLM-I&E (CFO & Hobbs)
NMOCD (Artesia & Hobbs)

L Askwig (RFO)