

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 4)

McFarland Energy, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

58 0432102

(CUSIP Number)

Michael S. Paquette
Vice President and
Controller
Fund American Enterprises Holdings, Inc.
The 1820 House,
Main Street,
Norwich, Vermont 05055
(802) 649-3633

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

January 29, 1996

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box ____.

Check the following box if a fee is being paid with this statement _____. (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class. (See Rule 13d-7.)

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above
Person

Fund American Enterprises Holdings, Inc.
94-2708455

(2) Check the Appropriate Box if a Member (a) -----
of a Group (See Instructions)

----- (b) -----

(3) (SEC Use Only)

(4) Source of Funds (See Instructions) AF

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d)
or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Shares
Beneficially Owned
by Each Reporting
Person With

(7) Sole Voting Power

(8) Shared Voting Power
400,000

(9) Sole Dispositive Power

(10) Shared Dispositive Power
400,000

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
400,000

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See
Instructions)

(13) Percent of Class Represented by Amount in Row (11)
Approximately 7.1%

(14) Type of Reporting Person (See Instructions) HC, CO

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person

Fund American Enterprises, Inc.
51-0328932

(2) Check the Appropriate Box if a Member (a) -----
of a Group (See Instructions)

----- (b) -----

(3) (SEC Use Only)

(4) Source of Funds (See Instructions) WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d)
or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Shares
Beneficially Owned
by Each Reporting
Person With

(7) Sole Voting Power

(8) Shared Voting Power
169,231

(9) Sole Dispositive Power

(10) Shared Dispositive Power
169,231

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
169,231

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See
Instructions)

(13) Percent of Class Represented by Amount in Row (11)
Approximately 3.0%

(14) Type of Reporting Person (See Instructions) C0

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person

White Mountains Holdings, Inc.
02-0477315

(2) Check the Appropriate Box if a Member (a) -----
of a Group (See Instructions)

----- (b) -----

(3) (SEC Use Only)

(4) Source of Funds (See Instructions) WC

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d)
or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Shares
Beneficially Owned
by Each Reporting
Person With

(7) Sole Voting Power

(8) Shared Voting Power
230,769

(9) Sole Dispositive Power

(10) Shared Dispositive Power
230,769

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
230,769

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See
Instructions)

(13) Percent of Class Represented by Amount in Row (11)
Approximately 4.1%

(14) Type of Reporting Person (See Instructions) C0

ONLY ITEMS REPORTED IN THIS AMENDMENT NO. 4 TO SCHEDULE 13D ARE AMENDED FROM THE FILINGS ON SCHEDULE 13D (THE "SCHEDULE 13D") PREVIOUSLY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION"). ALL OTHER ITEMS REMAIN UNCHANGED. UNLESS OTHERWISE SPECIFIED, ALL DEFINED TERMS USED HEREIN HAVE THE MEANING PREVIOUSLY ASCRIBED TO THEM IN THE SCHEDULE 13D.

Item 3. Source and Amount of Funds or Other Consideration.

On December 26, 1995, FAE transferred subordinated convertible notes representing 230,769 Shares to FAEH at \$6.50 per Share. FAEH subsequently transferred subordinated convertible notes representing 230,769 Shares to White Mountains Holdings, Inc. ("WMH") and certain of WMH's direct and indirect wholly-owned subsidiaries on December 26, 1995 at \$6.50 per Share.

Item 5. Interest in Securities of the Issuer.

Item 5 is replaced in its entirety.

(a) FAEH, through FAE, WMH and certain of WMH's direct and indirect wholly owned subsidiaries, owned a subordinated convertible note in the face amount of \$2.6 million which was converted by the issuer on January 29, 1996 to 400,000 Shares at \$6.50 of note principal for each Share.

FAEH owns 0 Shares directly and owns 169,231 Shares and 230,769 Shares indirectly through FAE, WMH and certain of WMH's direct and indirect wholly owned subsidiaries, respectively. The aggregate number of Shares and the corresponding percentage of the outstanding Shares such number represents is as follows:

Percentage of Person -----	Shares Beneficially Owned -----	Shares Beneficially Owned -----
FAEH	-	-
FAE	169,231	3.0%
WMH*	230,769	4.1%

* WMH and certain of its direct and indirect wholly-owned subsidiaries.

(b) FAEH has sole voting power and dispositive power with respect to 0 Shares and shares voting power and dispositive power with respect to 169,231 Shares with FAE, 230,769 Shares with WMH and certain of WMH's direct and indirect wholly-owned subsidiaries. The persons on Schedule I listed above have sole voting power and dispositive power with respect to Shares individually owned by them respectively.

(c) None

(d) None

(e) Not Applicable

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect

to Securities of the Issuer.
- -----

F AE extended a "Standstill Agreement", originally dated September 1, 1989, until January 4, 1998. Such agreement provides the executive management and Board of McFarland Energy certain assurances, voluntary restrictions on purchasing or selling Shares of McFarland and voting limitations intended to keep FAE in the position of a friendly investor that supports the incumbent management's views. The arrangement was not affected by the conversion of the subordinated convertible note to Shares.

SIGNATURE

After reasonable inquiry and to the best of the knowledge and belief of the undersigned, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 9, 1996

FUND AMERICAN ENTERPRISES HOLDINGS, INC.

BY:

Name: Michael S. Paquette
Title: Vice President and
Controller

FUND AMERICAN ENTERPRISES, INC.

BY:

Name: Terry L. Baxter
Title: President

WHITE MOUNTAINS HOLDINGS, INC.

BY:

Name: Michael S. Paquette
Title: Vice President and
Controller

Secretary

SCHEDULE I TO SCHEDULE 13D

Following is a list of the directors and executive officers of Fund American Enterprises Holdings, Inc. ("FAEH"), Fund American Enterprises, Inc. ("FAE"), and White Mountains Holdings, Inc. ("WMH") setting forth the business address and present principal occupation or employment (and the name, principal business and address of any corporation or organization in which such employment is conducted) of each such person. Each such person is a citizen of the United States of America.

Name and Business Address -----	Office -----	Present Principal Occupation or Employment -----
FAEH		
Dennis P. Beaulieu Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850	Corporate Secretary of FAEH, Director of WMH	Corporate Secretary of FAEH
John J. Byrne Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850	Chairman of the Board, President & Chief Executive Officer of FAEH, Chairman of the Board of FAE and WMH	Chairman of the Board, President & Chief Executive Officer of FAEH
Howard L. Clark 200 Park Avenue, Suite 4501 New York NY 10166	Director of FAEH	Retired
Howard L. Clark, Jr. Lehman Brothers Holdings, Inc. American Express Tower New York NY 10128	Director of FAEH	Vice Chairman of Lehman Brothers Holdings, Inc.
Robert P. Cochran Financial Security Assurance Holdings, Ltd. 350 Park Avenue New York NY 10022	Director of FAEH	President & Chief Executive Officer of Financial Security Assurance Holdings, Ltd.
George J. Gillespie, III Cravath, Swaine & Moore 825 Eighth Avenue New York NY 10019	Director of FAEH	Partner in Cravath, Swaine & Moore
K. Thomas Kemp Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850	Executive Vice President of FAEH, Director of FAEH and FAE and WMH	Executive Vice President of FAEH
Gordon S. Macklin 8212 Burning Tree Road Bethesda MD 20817	Director of FAEH	Chairman of White River Corporation

SCHEDULE I TO SCHEDULE 13D (cont.)

Name and Business Address -----	Office -----	Present Principal Occupation or Employment -----
FAEH		
Michael S. Paquette Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850	Vice President & Controller of FAEH, Director of FAE and WMH	Vice President & Controller of FAEH
Allan L. Waters Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850	Senior Vice President & Chief Financial Officer of FAEH, Director of FAE and WMH	Senior Vice President & Chief Financial Officer of FAEH
Arthur Zankel First Manhattan Co. 437 Madison Ave. New York NY 10022	Director of FAEH	Co-Managing Partner First Manhattan Co.
FAE		
Terry L. Baxter Fund American Enterprises, Inc. The 1820 House, Main Street Norwich VT 05055-0850	President & Secretary of FAE Director of FAE and WMH	President & Secretary of FAE,
WMH		
Dennis P. Beaulieu (see above)	Vice President and Secretary of WMH, Director of WMH	Corporate Secretary of FAEH
John J. Byrne (see above)	Chairman of the Board of WMH	Chairman of the Board, President & Chief Executive Officer of FAEH
Terry L. Baxter (see above)	Director of WMH	President & Secretary of FAE
Morgan Davis White Mountains Holdings, Inc. 1117 Elm Street Manchester, NH 03101	Sr. Vice President & Chief Operating Officer of WMH, Director of WMH	Sr. Vice President & Chief Operating Officer of WMH

SCHEDULE I TO SCHEDULE 13D (cont.)

Name and Business Address - -----	Office -----	Present Principal Occupation or Employment -----
WMH		
Robert P. Cochran (see above)	Director of WMH	President & Chief Executive Officer of Financial Security Assurance Holdings, Ltd.
Morgan Davis White Mountains Holdings, Inc. 1117 Elm Street Manchester, NH 03101	Sr. Vice President & Chief Operating Officer of WMH, Director of WMH	Sr. Vice President & Chief Operating Officer of WMH
Robert P. Keller White Mountains Holdings, Inc. 1117 Elm Street Manchester, NH 03101	Director of WMH	Self Employed
K. Thomas Kemp (see above)	Chief Executive Officer and President of WMH, Director of WMH	Executive Vice President of FAEH
Phil Koerner National Grange Mutual Insurance Company 55 West Street, POB 2300 Keene, NH 03431	Director of WMH	Chief Executive Officer of National Grange Mutual Insurance Company
Michael S. Paquette (see above)	Vice President & Controller of WMH, Director of WMH	Vice President & Controller of FAEH
Allan L. Waters (see above)	Senior Vice President & Chief Financial Officer of WMH, Director of WMH	Senior Vice President & Chief Financial Officer of FAEH