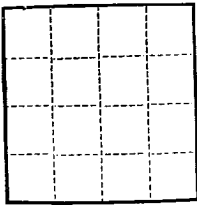


(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office Albuquerque, NM.
Lease No. NM 040742
Unit _____



SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING	SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

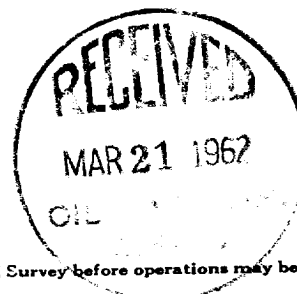
Well No. 7/K is located 866 ft. from N line and 836 ft. from E line of sec. 2
SE 1/4, SE 1/4 (1/4 Sec. and Sec. No.) 17 N 11 W (Twp.) N 101 W (Range) N 101 W (Meridian)
Madrid (Field) San Juan (County or Subdivision) New Mexico (State or Territory)

The elevation of the derrick floor above sea level is 1192 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

We was wire out: just 5' (logged) cuttings / because of no recent thorough.



I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Jorge S. Sauter
Address 121 Valley Drive, Santa Fe, N.M.
By Jame A. Sauter
Title Operator