

(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office Santa Fe
Lease No. MM0764
Unit _____

SUNDRY NOTICES AND REPORTS ON WELLS

| | | | |
|--|-------------------------------------|--|--|
| NOTICE OF INTENTION TO DRILL | <input checked="" type="checkbox"/> | 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)

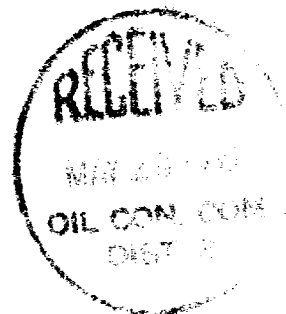
U.S. Knauff "B"
Well No. 1 is located 375 ft. from [N] line and 1810 ft. from [EX] line of sec. 21
11 11, Sec. 31
($\frac{1}{4}$ Sec. and Sec. No.) 28N 10W N. 40. 2. W.
(Twp.) (Range) (Meridian)
Atlatlat San Juan New Mexico
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 5777' ft. 5777', ground level.

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)

See attached sheet



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

Company Kingwood Oil Company
First National Building
Address Oklahoma City, Oklahoma

Operating under Designation of Operator
dated April 22, 1959, signed by Walter
G. Knauff, et al.

By Ben Spurr
Title Chief Clerk

U.S. - KNAUFF "B" #1

Location: 790' South of North Line; 1850' East of West Line of Section 31-28N-10W,
San Juan County, New Mexico.

Elevation: ~~5777'~~ ^{5757'}, ground level.

Geologic name of surface formation: Tertiary Nacimiento.

Drilling and casing plan: It is proposed to drill through the Dakota formation to approximately 7000' and set 5½" casing through same, to total depth.

Type of rig: Rotary.

Proposed depth: 7000'.

Estimated depth to top of important markers:

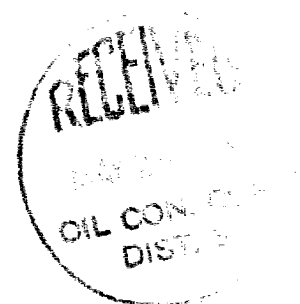
| | | | |
|-----------------|-------|---------------|-------|
| Pictured Cliffs | 2081' | Point Lookout | 4416' |
| Lewis | 2156' | Green Horn | 6414' |
| Cliff House | 3636' | Dakota | 6494' |

Estimated depths of possible water-bearing formations:

| | |
|-----------|-------|
| Ojo Alamo | 1136' |
|-----------|-------|

Estimated depths of possible oil or gas bearing formations:

| | | | |
|-----------------|-------|--------|-------|
| Pictured Cliffs | 2081' | Callup | 5606' |
| Cliff House | 3636' | Dakota | 6494' |
| Point Lookout | 4416' | | |



Casing: It is proposed to set 10-3/4" surface casing at approximately 300', or to a sufficient depth to protect fresh water sands, and cement to surface. 5½" oil string to be set through the Dakota formation to total depth and cemented with approximately 250 sacks.

Drill stem tests: None contemplated.

Drilling in with oil: Not contemplated.

Using reverse circulation: Not contemplated.

Perforating opposite pays: It is proposed to perforate the 5½" casing opposite the Dakota formation with approximately 400 jet shots.

Type of mud to be used: Commercial gels and additives. May use some oil in mud.

Electric logging: Electrical log and Microlog will be run.