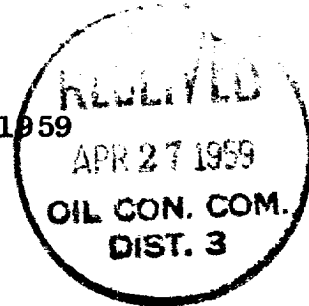


COMPASS EXPLORATION, INC.  
1645 COURT PLACE  
DENVER 2, COLORADO

April 23, 1959



Mr. Emery C. Arnold  
Supervisor, District #3  
State of New Mexico  
Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico

Dear Mr. Arnold:

Enclosed you will find two copies of Notice of Intention to Drill, along with New Mexico Oil Commission Form C-128, concerning our #1-32 Navajo well in the NW $\frac{1}{4}$  Section 32-32N-18W. Also enclosed is a Thermo-Fax copy of our Designation of Operator from Southern Union Gas Company.

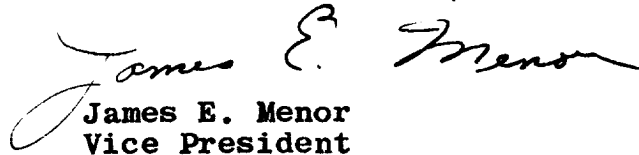
When we originally filed our Notice of Intention to Drill we also filed New Mexico Oil Commission Form C-128, with two extra copies of each, as required by your Rule No. 1128. It was our understanding that the United States Geological Survey would approve same and transmit the two extra copies to the Commission.

We are sorry for this delay. Should you desire any further information please let us know. We will forward to you the various other reports concerning the well as they become due.

Our copy of the New Mexico Oil Conservation Commission Rules and Regulations is dated December 1, 1958. Have there been any revisions since that date?

Yours very truly,

COMPASS EXPLORATION, INC.

  
James E. Menor  
Vice President

JEM/lo  
Encl.