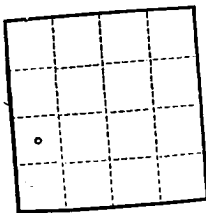


Form 9-331a
(Feb. 1961)



Sec 17

(SUBMIT IN TRIPLICATE)
**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

Land Office Sante Fe
Lease No. SF 078100
Unit L

SDNDRY 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	<input type="checkbox"/>	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	<input type="checkbox"/>	SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	<input type="checkbox"/>	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	<input type="checkbox"/>	SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING	<input type="checkbox"/>	SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL	<input type="checkbox"/>	

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

March 3

19 61

Well No. #1-17 is located 1450' ft. from N line and 1190' ft. from W line of sec. 17

NW, SW, Sec 17
(1/4 Sec. and Sec. No.)

27N
(Twp.)

12W
(Range)

NMFM
(Meridian)

Basin Dakota
(Field)

San Juan
(County or Subdivision)

New Mexico
(State or Territory)

The elevation of the derrick floor above sea level is 5699 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)

Compass Exploration, Inc. plans to drill their #1-17 Gregory to a depth of approx. 6050'. 8-5/8" csg will be set at a depth of approx. 250' and cemented to surface. Pipe will be tested to 1000 psi prior to drilling out. At total depth, 4 1/2" csg will be set and cemented with approx. 300 sx cmt. After WOC 24 hours, the pipe will be tested with 1500 psi pressure. The Dakota is the primary objective in this well. If well data so warrants, this zone will be jet perforated and completed as a gas well.

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

Company Compass Exploration, Inc.

Address Box 1136
Farmington, New Mexico

By Albert Johnson
Title Petroleum Engineer

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NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

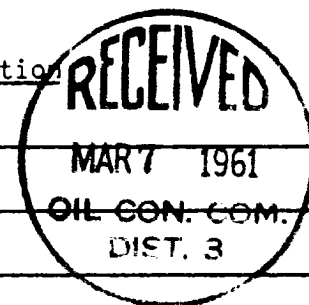
Date March 3, 1961

Operator COMPASS EXPLORATION INC. Lease GREGORY
Well No. 1 Unit Letter Section 17 Township 27 N Range 12 W NMEC
Located 1150 Feet From south Line, 1190 Feet From west Line
County San Juan G. L. Elevation 5687 Dedicated Acreage 320 Acres
Name of Producing Formation Dakota Pool Basin Dakota

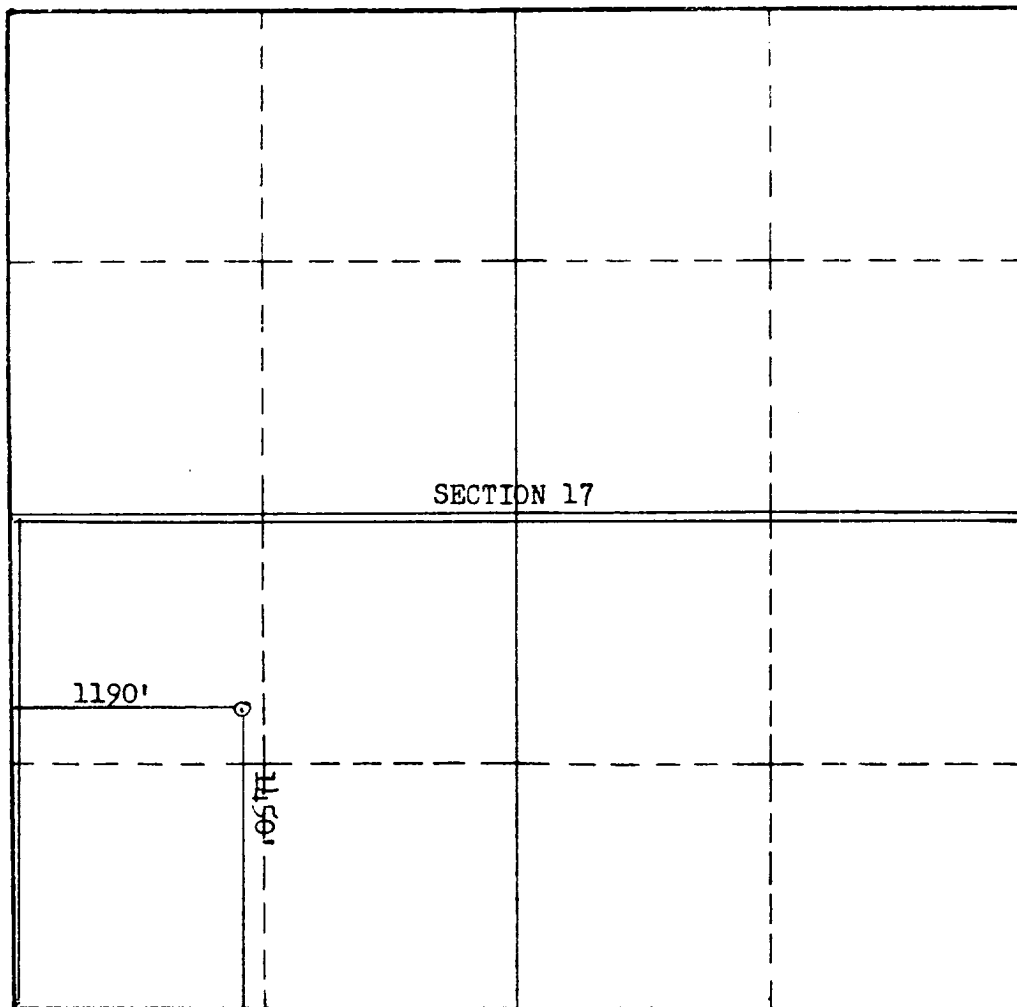
1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description



Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Compass Exploration, Inc.

(Operator)

Albert Johnson
(Representative)

Box 1138

Farmington, New Mexico

Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed March 2, 1961

Stephen H. Kinney
STEPHEN H. KINNEY

Registered Professional
Engineer and/or Land Surveyor.

Certificate No. 803