

(SUBMIT IN TRIPLICATE)

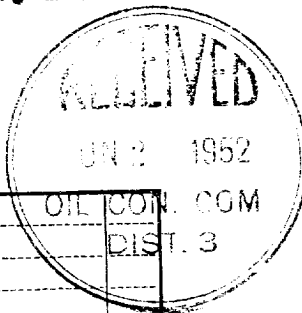
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office Santa Fe  
Lease No. 1000153  
Unit SW/4 Sec. 10,  
T-25N, R-11E

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 REDRILLING 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. 1 Wendell, N.M. is located 300 ft. from S line and 300 ft. from E line of sec. 10  
SW/4 Sec. 10 25N 11E 100M  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
Willet San Juan New Mexico  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 5411 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)

Permission is requested to temporarily abandon the test, since the drill stem test of the Pictured Cliffs did not indicate commercial gas production. A drill stem test was made from 1814 to 1900, the total depth. The tool was open one hour and 15 min., had gas to the surface in 45 min., but the volume was not enough to measure. Recovered 30' of gas out drilling mud. From 50' to 50' 30 min. All 400, Hydrostatic Pressure 980ps. At 15,000 cu. ft. gas daily. A drill stem test of the Farmington sandstone was made from 1173 to 1194, the tool was open one hour, had a steady blow of air throughout. Recovered 30' of water out drilling mud with a very, very slight show of gas, RP 0, 15 min. All 300, Hydrostatic Pressure 980ps.

ILLEGIBLE

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

Company Lacorne Corporation - Hilco Company  
Address Mercantile Securities Building  
Dallas  
Texas

By [Signature]  
Agent

Title