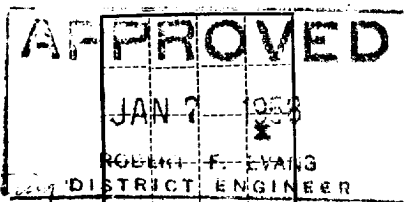


(SUBMIT IN TRIPLICATE)

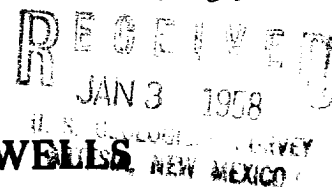
Land Office New Mexico

Lease No. NM-06407-B

Unit 30-015-03858



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



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)

December 18, 1957

Taylor-Federal
Well No. 2 is located 3005 ft. from N line and 990 ft. from E line of sec. 4

Lot 9, Sec. 4 T-16-S R-10-E BTPM
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)

West Ranch-Grayburg Eddy County New Mexico
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 3880 ft. estimated

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)

OBJECTIVE FORMATION: Grayburg (Premier sand)

OBJECTIVE TOTAL DEPTH: 2900'

CASING PROGRAM: 8 5/8" x 24' w/500 ex. cement (Circ. to surface)
5 1/2" x 15.54' w/600 ex. cement

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

Company Shell Oil Company

Address Box 845

Roswell, New Mexico

Original Signed By
Rex C. Cabaniss

By Rex C. Cabaniss

Title District Exploitation Engineer

NEW MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Section A.

Date December 18, 1957

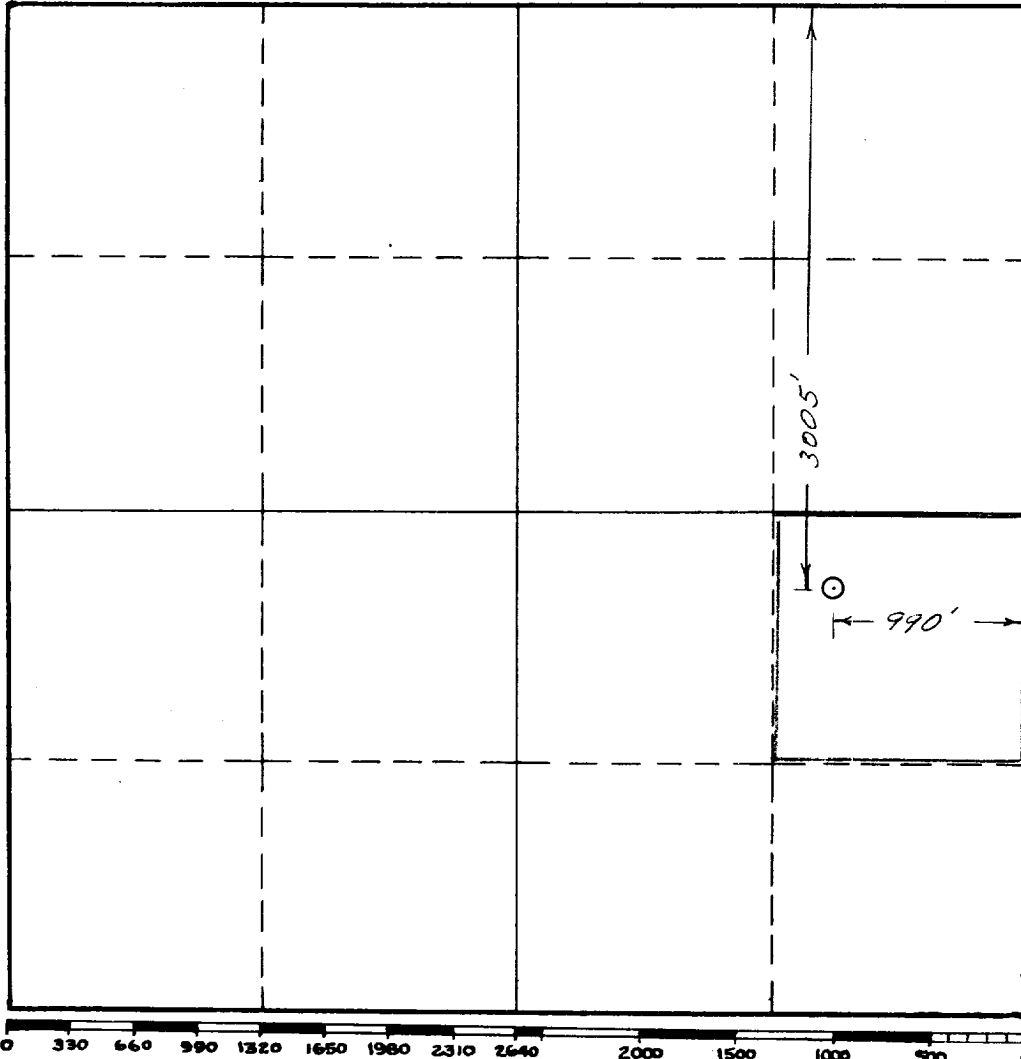
Operator Shell Oil Company Lease Taylor-Federal
Well No. 2 Unit Letter lot 9 Section 4 Township -16-S Range -30-E NMPM
Located 3005 Feet From north Line, 990 Feet From east Line
County Eddy G. L. Elevation not available Dedicated Acreage 40 Acres
Name of Producing Formation Grayburg Pool West Henshaw-Grayburg

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.

Shell Oil Company

(Operator)

Original Signed By
Rex C. Cabaniss Rex C. Cabaniss
(Representative)

Box 845, Roswell, 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 12-12-57

Neal D. Shepard
Registered Professional
Engineer and/or Land Surveyor.

Certificate No. 1467

(See instructions for completing this form on the reverse side)

INSTRUCTIONS FOR COMPLETION:

1. Operator shall furnish and certify to the information called for in Section A.
2. Operator shall outline the dedicated acreage for both oil and gas wells on the plat in Section B.
3. A registered professional engineer or land surveyor registered in the State of New Mexico or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
4. All distances shown on the plat must be from the outer boundaries of Section.
5. If additional space is needed for listing owners and their respective interests as required in question 3, Section A, please use space below

* "Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1953 Comp.)