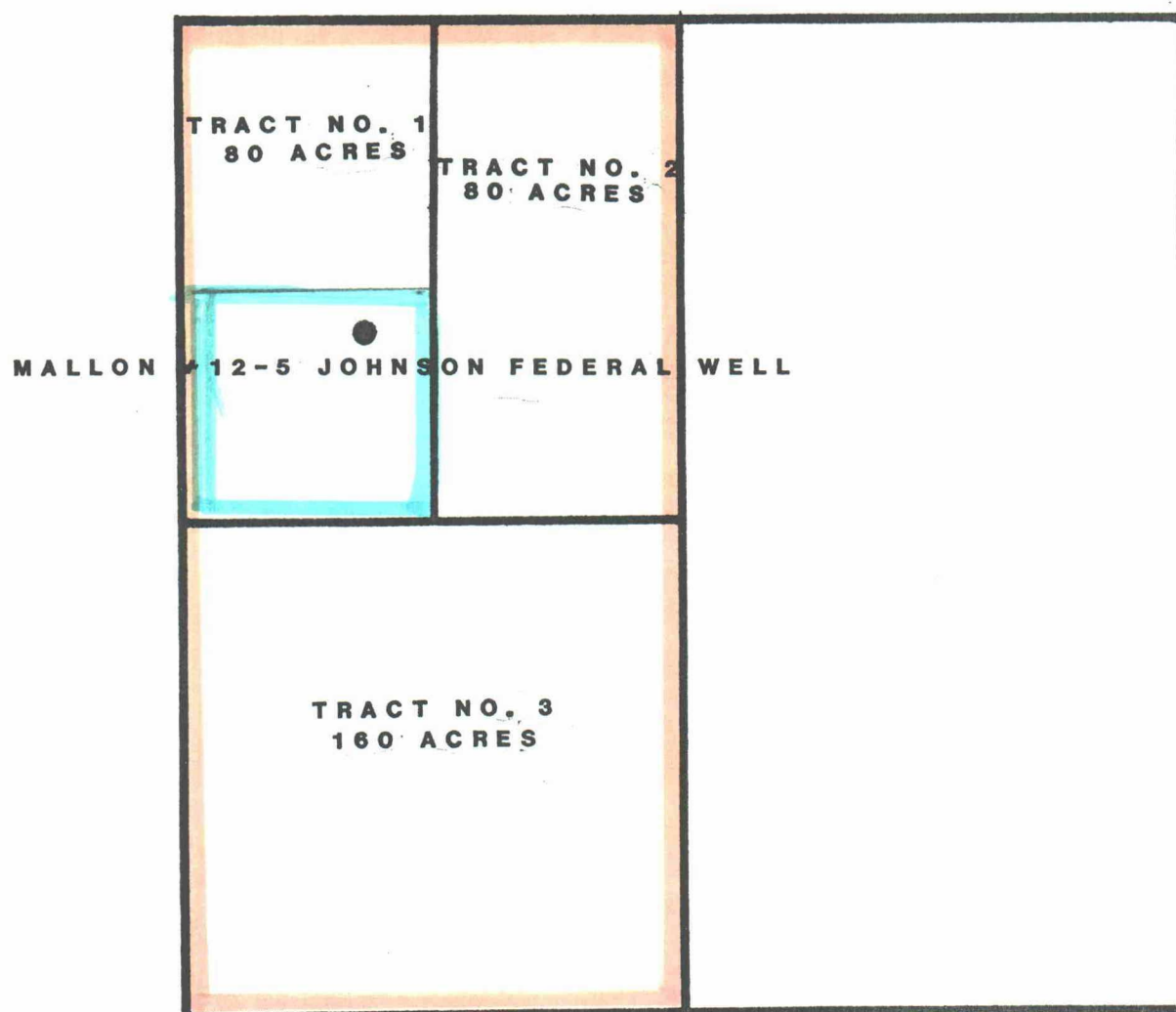


**TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
RIO ARriba COUNTY, NEW MEXICO**

SECTION 12



**TRACT NO. 1 - FEDERAL LEASE NO. NM-43752
CURRENT RECORD TITLE OWNERSHIP: MALLON OIL COMPANY, ET AL. - 100%**

**TRACT NO. 2 - FEDERAL LEASE NO. NM-01355
CURRENT RECORD TITLE OWNERSHIP: MESA GRANDE RESOURCES, INC. - 100%
(ASSIGNMENTS PENDING)**

**TRACT NO. 3 - FEDERAL LEASE NO. NM-04083
CURRENT RECORD TITLE OWNERSHIP: A.G. HILL - 100%
CURRENT OPERATING RIGHT OWNERSHIP: MALLON OIL COMPANY, ET AL. - 100%**

*APPLICATION FOR COMPULSORY POOLING
Mallon Oil Company
New Mexico Oil Conservation Commission
Case No. 8900 -- May 20, 1986
Exhibit No. 1*