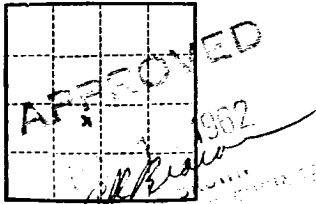


Form 9-331a
(Feb. 1961)

(SUBMIT IN TRIPLICATE)

Land Office _____
Lease No. LC 063578
Unit _____



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED
NOV 15 1962

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)

Artesia, New Mexico November 15, 1962

Southern Union Federal
Well No. 7 is located 2310 ft. from (N) line and 2310 ft. from (W) line of sec. 34

N5W Sec. 34 (1/4 Sec. and Sec. No.) 16S (Twp.) 26E (Range) N.M.P.M. (Meridian)
Red Lake Basin - North (Field) Eddy (County or Subdivision) New Mexico (State or Territory)

The elevation of the Ground level ~~derrick floor~~ above sea level is 3578 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)

We propose to drill a well at the above location to test the Grayburg-San Andres formation at approximately 1600 feet.

We propose the following casing program.
8 5/8" at approximately 475 feet - 50 sacks.
5 1/2" at total depth - 100 sacks, if we get production.

RECEIVED
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U. S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

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

Company Kincaid & Watson Drilling Company

Address P.O. Box 498

Artesia, New Mexico

By [Signature]

Title Assistant Secretary

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TRANSPORTER	OIL
	GAS
PROBATION OFFICE	
OPERATOR	

FORM C-128
Revised 5/1/57

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

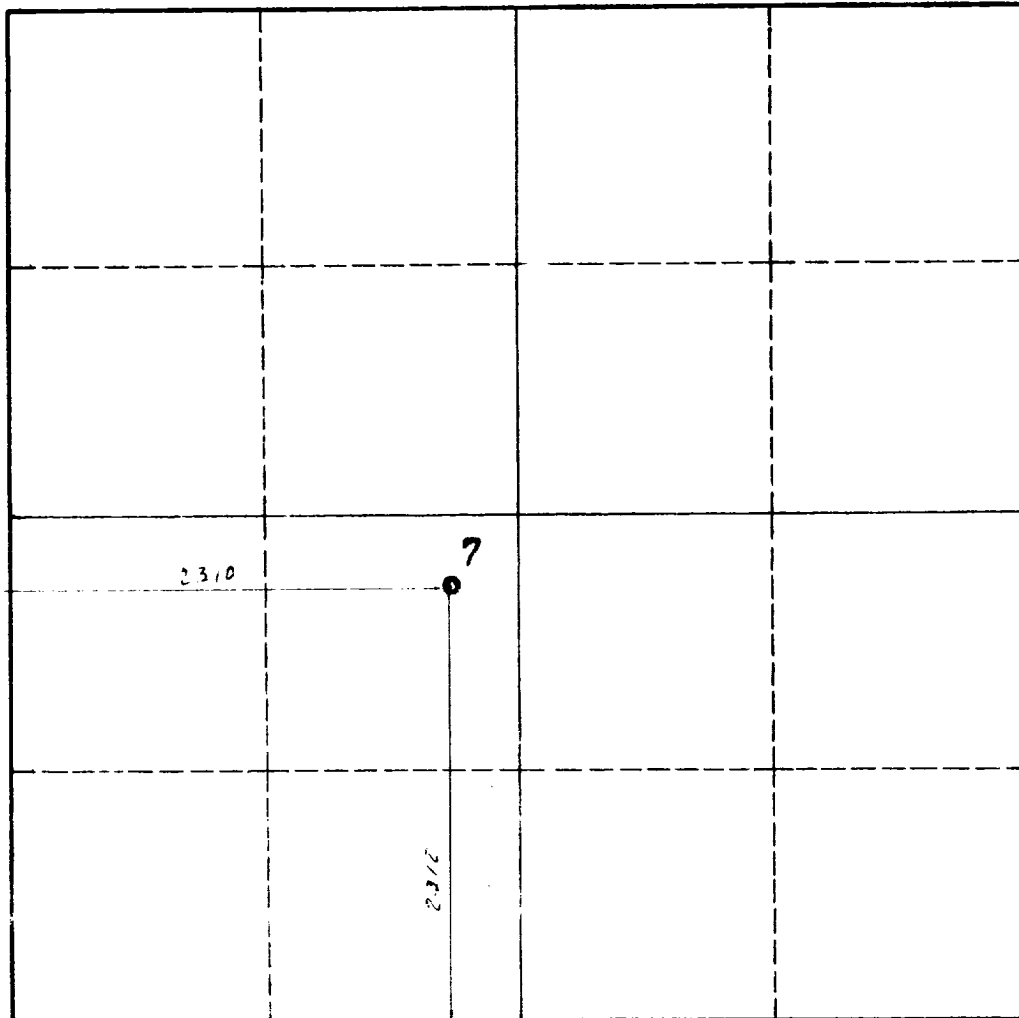
SECTION A

Operator Kincaid & Watson Drilling Company		Lease Southern Union Federal		Well No. 7
Unit Letter K	Section 34	Township 16 South	Range 28 East	County Eddy
Actual Footage Location of Well: 2310 feet from the South line and 2310 feet from the West line				
Ground Level Elev. 3578	Producing Formation Grayburg-San Andres	Pool Red Lake Queen North	Dedicated Acreage: 40 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES NO . ("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 1935 Comp.)
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



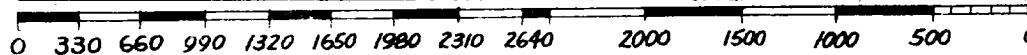
CERTIFICATION

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name	<i>Ray Holmes</i>
Position	Assistant Secretary
Company	Kincaid & Watson Drilling Co.
Date	November 15, 1962

I hereby 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	November 15, 1962
Registered Professional Engineer and/on Land Surveyor	<i>John A. Mather</i>
Certificate No.	1502



INSTRUCTIONS FOR COMPLETION OF FORM C-128

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 the Section.
5. If additional space is needed for listing owners and their respective interests as required in question 3 of Section A, please use space below.