

**SURFACE USE AND OPERATIONS PLAN  
FOR  
TEXACO PRODUCING, INC.**

"DD" FEDERAL 25 No. 2  
1885 FNL & 1980 FEL SECTION 25,  
TWP. 19 SOUTH, RANGE 24 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

LOCATED: 16 miles Southwest of Artesia, New Mexico

FEDERAL LEASE NUMBER: NM 58024

LEASE ISSUED: Lease is in a producing status

ACRES IN LEASE: 160 Acres

RECORD LESSEE: TEXACO PRODUCING, Inc.

SURFACE OWNERSHIP: USA

GRAZING PERMITTEE: Harold Houghtling  
P.O. Box 234  
Artesia, New Mexico 88210  
(505) 746-4435

POOL: Cisco-Canyon (Dragger Draw Upper Penn., North)

POOL RULES: Field Rules are for no wells to be located closer than 330' to any quarter-quarter section, to be 660' from the outer lease lines, and 1320' from the nearest well. Proration Unit for this pay is established at 160 acres.

EXHIBITS: A. Access Road and Facilities Map

B. Drilling Rig Layout Diagram

C. Well Location and Acreage Dedication Plat