

MINERALS MANAGEMENT INC.

SUITE 210, PETROLEUM CENTER BLDG. 501 AIRPORT DRIVE TELEPHONE (505) 327-4441 FARMINGTON, NEW MEXICO 87401

DEVELOPMENT PLAN FOR SURFACE USE

FILON EXPLORATION CORPORATION

NAVAJO 14C WELL NO. 1

330' FNL, 330' FEL, SECTION 14, T19N, R4W

SANDOVAL COUNTY, NEW MEXICO

1. Existing Road

Road to Federal 12 Well No. 1 will be used as far as possible, the new road from existing road as per topographic map.

2. Planned Access Road

As per topographic map.

3. Location of Existing Wells

Federal 12 Well No. 1, 460' FSL, 330' FWL, Section 12, T19N, R4W Sandoval County, New Mexico

4. Lateral Roads

None

5. Location of Tank Batteries & Flowlines

Will be initially located on drill pad approximately 150' from the well if production is encountered.

6. Water Supply

Water will be hauled from BLM water well located in Media Dome Field.