

SURFACE USE AND OPERATION PLAN
FOR
APACHE #2 SW $\frac{1}{4}$ Section 16 T22N R2W
SANDOVAL COUNTY, NEW MEXICO

Please find enclosed a copy of U.S.G.S. Topographic Map covering the area of the captioned well. Existing roads and drill holes are shown on this map. The acreage dedicated to this well is shown in yellow while the location and proposed access road are colored red.

Water for drilling will be obtained from a local rancher at Regina 10 miles Northeast.

Waste disposal will be either burned in the burn pit, latrine or reserve pit as applicable.

There will be no air strip or camp associated with the drilling of this test.

Enclosed is a map of the rig and well site layout.

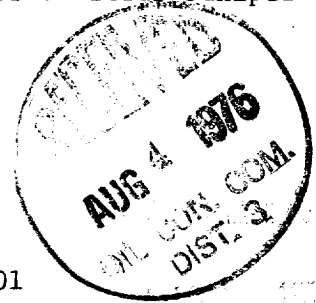
Upon completion or abandonment of the well, the location will be cleaned, leveled and restored and a dry hole marker placed if applicable.

Surface ownership is the Jicarilla-Apache Indians. The terrain at the well site is flat with little relief. Vegetation consists of scrub Juniper and Pinon and some sage brush.

Other BLM Stipulations will be followed.

Lynco's Field Representative is:

James M. Ray
2001 Western Avenue
Farmington, New Mexico 87401
PHONE: (505) 325-8083



CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge are true and correct; and that the work associated with the operations proposed herein will be performed by Lynco Oil Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

August 3, 1976
Date

James M. Ray
James M. Ray - Field Manager