

DEVELOPMENT PLAN FOR SURFACE RESUME

Chace Oil Company Jicarilla 70-4
Unit B 1190' NL & 1455' EL
T24N - R4W Rio Arriba County, New Mexico

1. Location map, San Juan Engineering Company, Exit Hwy 44, on State Hwy. 536, Dulce Road, thence 8.2 miles to left turnoff.
2. No new road - location and road prepared two years ago.
3. Well site is approximately 2600' E & N of the Jicarilla 70-3 in unit F, Section 33, T24N-R4W.
4. Roads shown on vicinity plat.
5. In case of production (gas) well will be tied into a gathering line. No tank batteries or separators are anticipated at this time.
6. Water to come from private source nearby.
7. All trash and waste material will be placed in the mud pit and covered. No additional surface to be used, such as air strips or campsites.
8. None
9. None
10. Rig layout shown on township plat attached.
11. The topography is rolling, covered with sagebrush, scrub cedar, and sand.
12. Drilling pad is complete.
13. After well completion, location to be restored.
14. Field representative to contact is Royce McCary, telephone 266-5562 at 313 Washington S.E., Albuquerque, New Mexico, 87108.

