DEVELOPMENT PLAN FOR SURFACE USE NAVAJO TRIBAL "U" NO. 26 SAN JUAN COUNTY, NEW MEXICO

TIGHT HOLE - CONFIDENTIAL

Amoco Production Company proposes to drill the subject well with rotary tools on a graded location as shown on the attachments. The location is in accordance with NMOCC Order R-2758. Established roads exist in the area and only 150 feet of new road will need to be constructed. Archeological clearance to drill this well has been obtained from the proper authorities. Clearance to perform work on this location has been obtained from the Navajo Tribe.

No airstrips or field camps will be built and none exist nearby. There are no trees in the area and therefore no timber damage will result. Vegetation in the area is extremely sparse and consists primarily of tumbleweed. As the well is located in the middle of an active oil field, Amoco has previously completed a water source well. All water for drilling operations will come from this well. Upon completion of the subject well the location will be thoroughly cleaned and the reserve pit backfilled. If the well is productive the flowline for this well will be laid to a test point near well "U" No. 9. The electric power line will require only a short 300' drop off of an existing powerline.

DIFFIDENTIAL

