

DEVELOPMENT PLAN
VAN HOOK FEDERAL NO. 1
930' FSL & 875' FWL, SECTION 27, T-32-N, R-11-W
SAN JUAN COUNTY, NEW MEXICO

The proposed location is approximately 220 feet west of the El Paso Van Hook No. 1 and road will be improved from El Paso's well to the location. Ground condition is mostly clay with very limited vegetation and location will be prepared with minimum damage. Archaeological clearance to drill this location has been obtained from the proper authorities.

Arrangements are being made to haul water from a wash approximately three miles from location, if weather permits; otherwise water will be hauled from ditch on Highway 550, approximately 13 miles from location. Upon completion the well location will be cleaned, leveled and reserve pit backfilled. Drilling fluid will be a low solid, non-dispersed drilling mud. There are no airstrips or camps nearby. Amoco's standard blowout prevention will be employed, see attached drawing for blowout preventer design.

We believe the development plan drawings will answer any questions, which might arise as to the proposed drilling site.