

SURFACE USE AND OPERATIONS PLAN FOR
DRILLING, COMPLETING, AND PRODUCING

RECEIVED

NEARBURG PRODUCING COMPANY
BANDANA POINT 10C FEDERAL WELL NO. 1
660' FNL & 1980' FWL SECTION 10-T23S-R23E
EDDY COUNTY, NEW MEXICO

LOCATED:

21 air miles southwest of Carlsbad, New Mexico.

OIL & GAS LEASE:

NM-76922 was issued 9-1-89 for a primary term of 5 years.

RECORD LESSEE:

Holly Corporation

BOND COVERAGE:

\$25,000 statewide bond of Nearburg Producing Company.

ACRES IN LEASE:

1880.00

SURFACE OWNERSHIP:

Jim Davidson, Jr.
Queen Route
Carlsbad, New Mexico 88220
Phone: (505) 981-2420

POOL:

Wildcat

EXHIBITS:

- A. Area Road Map
- B. Drilling Rig Layout
- C. Vicinity Oil & Gas Map
- D. Topographic & Location Verification Map
- E. Well Location & Acreage Dedication Plat

This well will be drilled to a depth of approximately 10,000'.