SURFACE USE AND OPERATING PLAN

Attached to Form 3160-3

Pogo Producing Company

Canyon "23-I" Federal Com No. 1 1750' FSL & 660' FWL Unit Letter I, NE/SE Section 23, T24S, R29E Eddy County, New Mexico

Located:

5 miles east southeast of Loving, New Mexico

Federal Lease Number:

NM-88138

Lease Issued:

N/A

Acres in Lease:

320 acres

Record Lessee:

Collins & Ware

Surface Ownership:

U.S.A.

Grazing Permittee:

Raymond McDonald

P.O. Box 66

Loving, New Mexico 88265

Pool:

Wildcat (Morrow)

Pool Rules:

Statewide Rules (Morrow)

Exhibits:

A. Road Map

B. Existing Wells Map

C. Well Location and Acreage Dedication Plat

C-1. Topo Map

D. Drilling Rig Layout Diagram

E. BOP Equipment