

PERTINENT INFORMATION

For

GP II ENERGY, INC.
No. 171 North Square Lake Unit
210' FNL & 1310' FEL Sec. 33, T16S, R31E
Eddy County, New Mexico
Federal Lease No. LC-056302(B)

LOCATED: 7.0 air miles northeast of Loco Hills, New Mexico

FEDERAL LEASE NUMBER: LC-056302(B)

DATE ISSUED: November 1, 1991

ACRES IN LEASE: 400 acres

RECORD LESSEE: Exxon Corp.

BOND COVERAGE: Federal State Wide Blanket Bond
Federal Bond No. B03128

AUTHORITY TO OPERATE: Transfer of Operating Rights to GP II Energy, Inc.

SURFACE OWNERSHIP: Federal

GRAZING PERMITTEE: E. B. & C. E. Holman Irrevocable Trust
P. O. Box 84
Maljamar, New Mexico 88264

POOL RULES: Square Lake Grayburg-San Andres

EXHIBITS: A. Road and Contour Map
B. Lease and Well Map
C. Drill Pad Layout
D. BOP Diagram
E. Flow Line/Power Map