

DEVELOPMENT PLAN

Jerome P. McHugh

Chris #1A

1. Existing roads are shown on attached plat.
2. Planned access from existing road approximately 1400' to new location. Will leave natural grass and small vegetation on roadway. Will remove large brush or trees from road. Do not plan to make road grade or bar ditches. Will bottom-out any arroyo we cross and not install culverts.
3. Location of well: 1620' FNL - 1850' FWL
Section 15, T27N, R3W
Rio Arriba County, New Mexico
4. Two additional well(s) planned on this lease at this time.
5. Separator and flow line will be located within 50' of wellhead.
6. Water will be secured from Companero Arroyo or La Jara Wash.
7. Waste materials will be buried on location or in reserve pit.
8. No permanent camp is planned; trailer house will be used on location while drilling.
9. Do not plan to build airstrip.
10. See attached plat for proposed location layout.
11. Will clean up location, fill and level pits, level ruts in road, reseed location and road with Seed Mixture #2 and paint equipment with #34127.
Pinon Juniper Green
12. Operator's Representative:
Thomas A. Dugan
Box 234
Farmington, New Mexico 87401
13. Certification: The following statement must be signed by the lessee's or operator's field representative who is identified in Item #12 of the Plan:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this Plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by _____

Jerome P. McHugh

and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

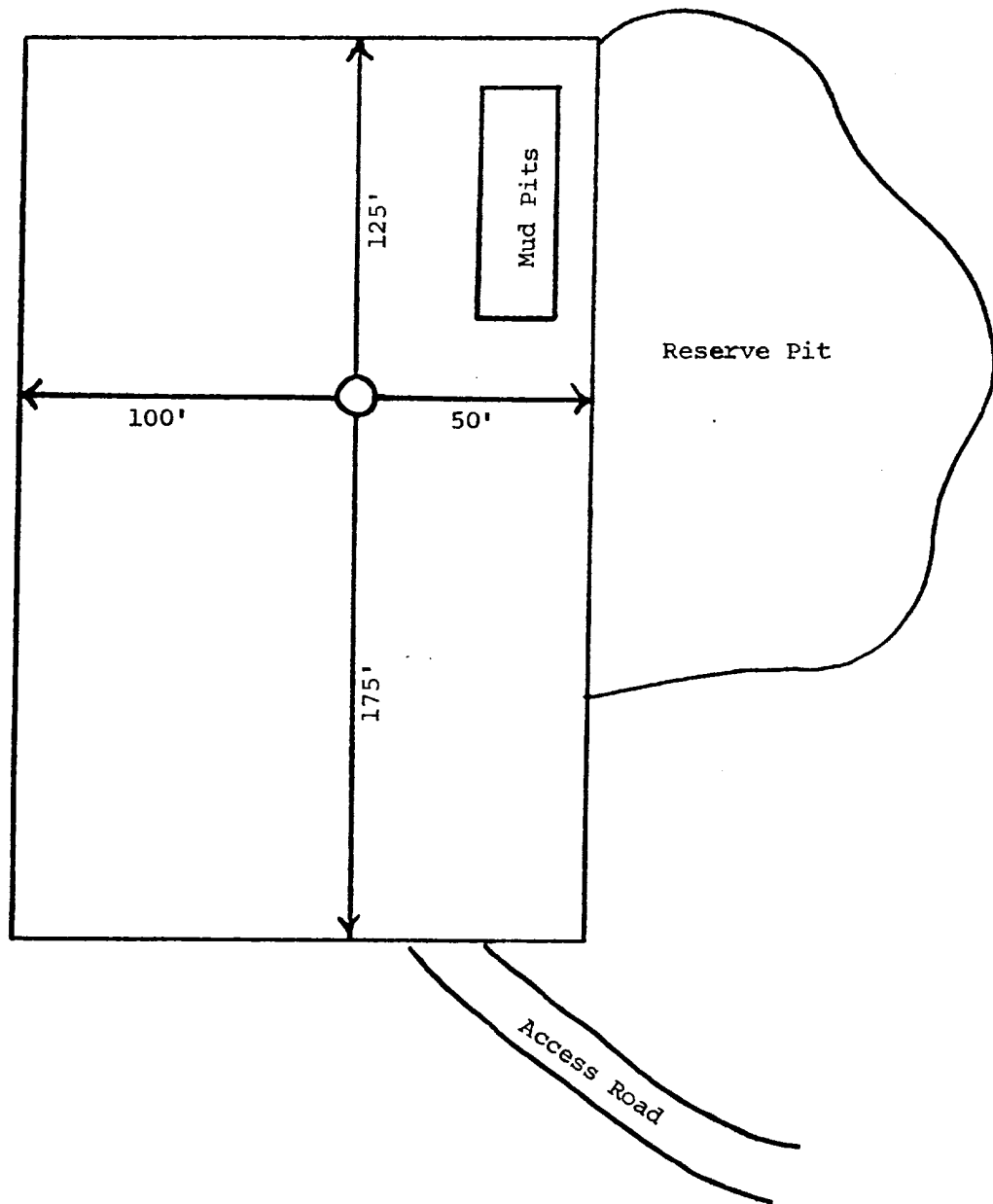
Date: 5-5-77

Thomas A. Dugan
Thomas A. Dugan
Professional Petroleum Engineer

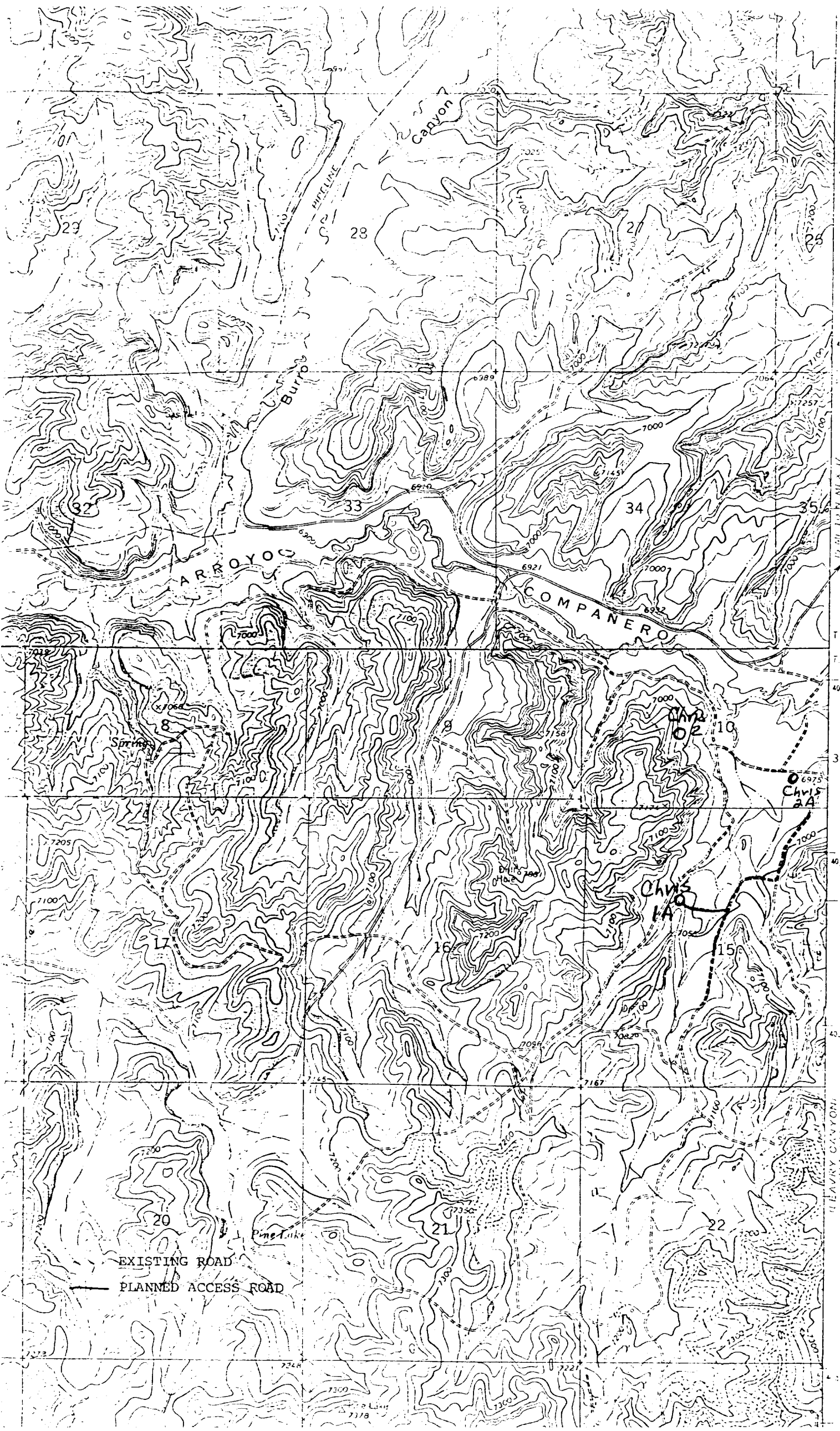
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Proposed Location Layout



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EXISTING ROAD

PLANNED ACCESS ROAD