SURFACE USE PLAN

FOR

DRILLING, COMPLETING AND PRODUCING WWJ PRODUCING COMPANY WELL #1 RUTTER FEDERAL 1650' FSL & 2260' FWL SEC. 25-17S-27E EDDY COUNTY, NEW MEXICO

LOCATED: $9\frac{1}{2}$ air miles east of Artesia, New Mexico.

FEDERAL LEASE NUMBER: NM-15868

LEASE ISSUED: 7-1-72 for a primary term of ten years and is due to expire on 6-30-82 absent diligent drilling operations.

RECORD LESSEE: Martin, Williams & Judson dba MWJ Producing Co.

BOND COVERAGE: Lessee's state-wide bond.

ACRES IN LEASE: 320

Please refer to the Surface Use Plan of Holly Energy Inc.'s #1 Empire West Deep Unit Federal Com Well located 1650' FSL & 2310' FWL of Sec. 25-17S-27E. The Morrow test was plugged at a total depth of 9950' on March 24, 1982. The reserve pit and the north working pits have been cut, but the west working pit, the 215' x 300' well pad, and the access road have been left intact.

The proposed 525-foot cable-tool test is located on the existing well pad and is 50' west of the plugged hole. No additional surface will be disturbed by the proposed drilling operations.