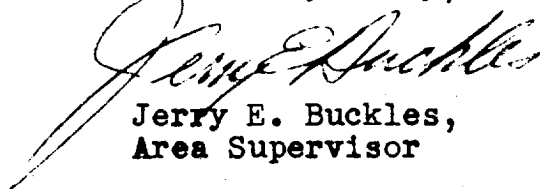


10. Drilling Rig Layout - Attached plat gives the position of the rig, mud tanks, reserve pits, pipe racks and access road location on the drilling pad. Drilling pad will be 6 inches of caliche measuring 200 feet East to West and 120 feet North to South. Reserve pit and trash area will measure 150 feet East to West and 60 feet North to South. Drilling pad will blend with terrain as there are no predominant hills, valleys, washes or trees in the area.

11. Plans for Restoration of Surface - The area of mud pits, reserve pit and trash pit will be leveled. Other requirements of U. S. G. S. and N. M. O. C. C. will be complied with.

12. Other Information - The area of well location is sandy grazing land and will require little leveling.

Yours very truly,



Jerry E. Buckles,
Area Supervisor

JEB/rk

Company Representatives:

Loco Hills	Office Phone	677-2411	Loco Hills
Jerry E. Buckles	Home Phone	396-4036	Lovington
John C. English	Home Phone	746-6320	Artesia
Dwane W. Bell	Home Phone	677-2551	Loco Hills