

SURFACE USE AND OPERATIONS PLAN FOR
DRILLING, COMPLETING, AND PRODUCING

NEARBURG PRODUCING COMPANY
DAGGER DRAW 31 FEDERAL WELL NO. 2
660' FNL & 1980' FEL SECTION 31-T19S-R25E
EDDY COUNTY, NEW MEXICO

RECEIVED

JUL 23 10 32 AM '90

OFFICE
ARTESIA

LOCATED:

15 air miles southwest of Artesia, New Mexico.

OIL & GAS LEASE:

NMM-84701 was issued for a primary term of 5 years.

RECORD LESSEE:

Nearburg Exploration Company

BOND COVERAGE:

\$25,000 statewide bond of Nearburg Producing Company.

ACRES IN LEASE:

242.60

GRAZING LEASE:

Carl Foster
P. O. Box 193
Artesia, New Mexico 88210
(505)746-2371

POOL:

Dagger Draw, North-Upper Pennsylvanian

EXHIBITS:

- A. Area Road Map
- B. Drilling Rig Layout
- C. Vicinity Oil & Gas Map
- D. Topographic & Location Verification Map
- E. Well Location & Acreage Dedication Plat

This well will be drilled to a depth of approximately 8,000'.