

SURFACE AGREEMENT FOR NE $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 22-21S-26E, EDDY COUNTY, NEW MEXICO

Records show the following information concerning the tract of land as described above:

Landowners: Thomas D. Parker, etal
% W. T. Parker, 1504 W. Riverside, Calsbad, NM

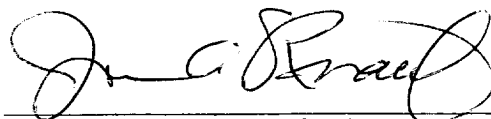
Mineral Owner: U. S. Government

Oil & Gas Lessee: Hanagan Petroleum Corporation

On January 29, 1985, Mr. Hugh Hanagan representing the lessee made arrangements with Mr. W. T. Parker representing the landowners for re-entering an old plugged well located 1980' FSL & 660' FEL Sec. 22-21S-26E. The old well pad and access road are still in place. Upon abandonment of the well, all pits will be filled and all equipment and trash will be removed from the location. No other requirements were made by Mr. Parker concerning surface restoration of the wellsite.

January 30, 1985

Date



James A. Knauf, Agent
HANAGAN PETROLEUM CORPORATION