

TEXAS AMERICAN OIL CORPORATION

November 19, 1974

300 WEST WALL, SUITE 1012 MIDLAND, TEXAS 79701 915-683-4811

Re: Todd "26" Federal, No. 7  
990' FSL & 1980' FEL  
Section 26, T-23-S, R-31-E,  
Eddy County, New Mexico

Gentlemen:

As per instructions for submitting an application for permit to drill and the development plan for surface use, on Federal Oil and Gas Lease, Texas American Oil Corporation answers these questions as follows:

- 1.) Existing Roads: Exhibit "A" shows exit from main highway and the existing lease roads in blue lines.
- 2.) Planned Access Roads: Exhibit "A" shows in red line the proposed road 15' wide by 990' long of compacted caliche.
- 3.) Location of Existing Wells: Shown above and also on Exhibit "A".
- 4.) Lateral Road to Location: See Exhibit "A" as shown in blue lines.
- 5.) Location of Rank Battery and Flow Lines: Plan to use existing lease facilities located at Todd "26" Federal, Well No. 2. Flow line to parallel road.
- 6.) Location and Types of Water Supply: Water to be hauled.
- 7.) Methods for Handling Waste Disposal: A reserve pit located as per Exhibit "B" will be used for handling drill cuttings. Burial of solid debris in burn pit as shown.
- 8.) Location of Camps: None.
- 9.) Location of Air Strip: None.
- 10.) Location of Rig, Mud Tanks, Reserve Pits, Burn Pits, Pipe Racks, Etc.: See Exhibit "B" Attached.