

PERTINENT INFORMATION  
for  
HANAGAN PETROLEUM CORPORATION  
#1 Unocal-HPC  
1650' FNL & 1980 FEL  
Section 1 - T22S - R31E  
Eddy County, New Mexico

LOCATED: Approximately 37 miles northeast  
of Loving, New Mexico.

FEDERAL LEASE  
NUMBER: NM-43556

LEASE ISSUED: August 1, 1981 (effective date)

ACRES IN LEASE: 159.81 acres  
Sec. 1: lots 1 & 2, S/2NE/4

RECORD LESSEE: Union Oil Company Of California

BOND COVERAGE: Nationwide Bond of Hanagan Petroleum  
Corporation from American Employers  
Insurance Company.  
Bond # AE71164-20

SURFACE OWNERSHIP: Federal Surface (BLM-Carlsbad)

GRAZING PERMITTEE: Kenneth Smith  
P.O. Box 764  
Carlsbad, N.M. 88220

POOL RULES: Livingston Ridge Delaware  
Statewide Rules - 40 Acre oil spacing

EXHIBITS: A. USGS Topographic map showing roads  
and wells.  
A1 County Road Map  
B. Nearby wells  
C. Rig/pad Diagram  
D. Statement of Responsibility