

SURFACE USE AND OPERATIONS PLAN

FOR

POGO PRODUCING COMPANY
FEDERAL 26 WELL NO.3
610'FNL & 2130'FWL SEC.26, T.22 S., R.31 E.
EDDY COUNTY, NEW MEXICO

LOCATED: 28 air miles east of Carlsbad, New Mexico.

FEDERAL LEASE NUMBER: NM-62590.

LEASE ISSUED: July 1, 1985. Lease is in producing status.

ACRES IN LEASE: 640.

RECORD LESSEE: Pogo Producing Company.

SURFACE OWNERSHIP: Federal.

GRAZING PERMITTEE: J. C. Mills
P.O. Drawer "G"
Abernathy, Texas 79311

POOL: Undesignated Livingston Ridge Delaware.

POOL RULES: Statewide. 40 acre spacing for oil.

EXHIBITS: A. Road Map
B. Plat Showing Existing Wells and Existing Roads
C. Drilling Rig Layout
D. Topo Plat