

SURFACE USE AND OPERATIONS PLAN  
FOR  
TEXACO EXPLORATION AND  
PRODUCTION, INC.

FEDERAL NEFF "13" #7,  
2310 FNL & 330 FWL SECTION 13,  
TWP. 22 SOUTH, RANGE 31 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

LOCATED: 30 miles East of Carlsbad, New Mexico

FEDERAL LEASE NUMBER: NM 29233

LEASE ISSUED: February 1, 1977, Lease is in producing status

ACRES IN LEASE: 1120 Acres

RECORD LESSEE: TEXACO EXPLORATION AND PRODUCTION, Inc.

SURFACE OWNERSHIP: USA

GRAZING PERMITTEE: Kenneth Smith  
P.O. Box 764  
Carlsbad, New Mexico 88220

POOL: Brushy Canyon

POOL RULES: Field Rules are for no wells to be located closer than 330' to any quarter-quarter section, to be 330' from the lease line, and 330' from the nearest well.

EXHIBITS: A. Access Road and Facilities Map

B. Drilling Rig Layout Diagram

C. Well Location and Acreage Dedication Plat