

SURFACE USE AND OPERATIONS PLAN

FOR

POGO PRODUCING COMPANY
SAND DUNES 34 FEDERAL WELL NO. 1
660' FNL & 660' FEL SEC. 34, T. 23 S., R. 31 E.
EDDY COUNTY, NEW MEXICO

LOCATED: 20 miles east of Loving, New Mexico.

FEDERAL LEASE NUMBER: NM-43744

LEASE DATE: May 1, 1981. Lease is in producing status.

ACRES IN LEASE: 640.

LESSEE: Pogo Producing Company et al.

SURFACE OWNERSHIP: Federal.

GRAZING PERMITTEE: Charles F. James (505-885-3938)
1207 W. Riverside Drive
Carlsbad, New Mexico 88220

POOL: Undesignated Ingle Wells Delaware

POOL RULES: Statewide Rules. 40 acre spacing for oil.

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