

PERTINENT INFORMATION  
for  
HANAGAN PETROLEUM CORPORATION  
#2 Bet-Net Federal

1980' FNL & 1650' FWL  
Section 25 - T24S - R31E  
Eddy County, New Mexico

LOCATED: Approximately 40 miles southeast  
of Loving, New Mexico.

FEDERAL LEASE  
NUMBER: NM-012121

LEASE ISSUED: December 1, 1950 (effective date)

ACRES IN LEASE: 1,280.00 acres  
Township 24 South, Range 31 East,  
Sec. 25: W/2, SE/4  
Sec. 26: All  
Sec. 35: NE/4

RECORD LESSEE: Hondo Oi & Gas(Devon)/Texaco, Inc

BOND COVERAGE: Statewide Bond of Hanagan Petroleum  
Corporation from Planet Indemnity  
Company: Surety Bond #B03222

BLM BOND FILE #: Statewide Bond 3104 (943-3ssp)

SURFACE OWNERSHIP: Federal Surface (BLM-Carlsbad)

GRAZING PERMITTEE: JD Engineering  
P.O. Box 12237  
Odessa, Texas 79768  
ATT: Jimmy Richardson

POOL RULES: Statewide Rules - 40 Acre oil spacing

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