

Exhibit "B"  
Saxon Oil Company  
Location of Existing Wells  
Well #1 Holly Federal  
660' FNL & 1980' FEL, Sec. 28, T-7-S, R-35-E  
Roosevelt County, New Mexico Scale: 1"=2000'

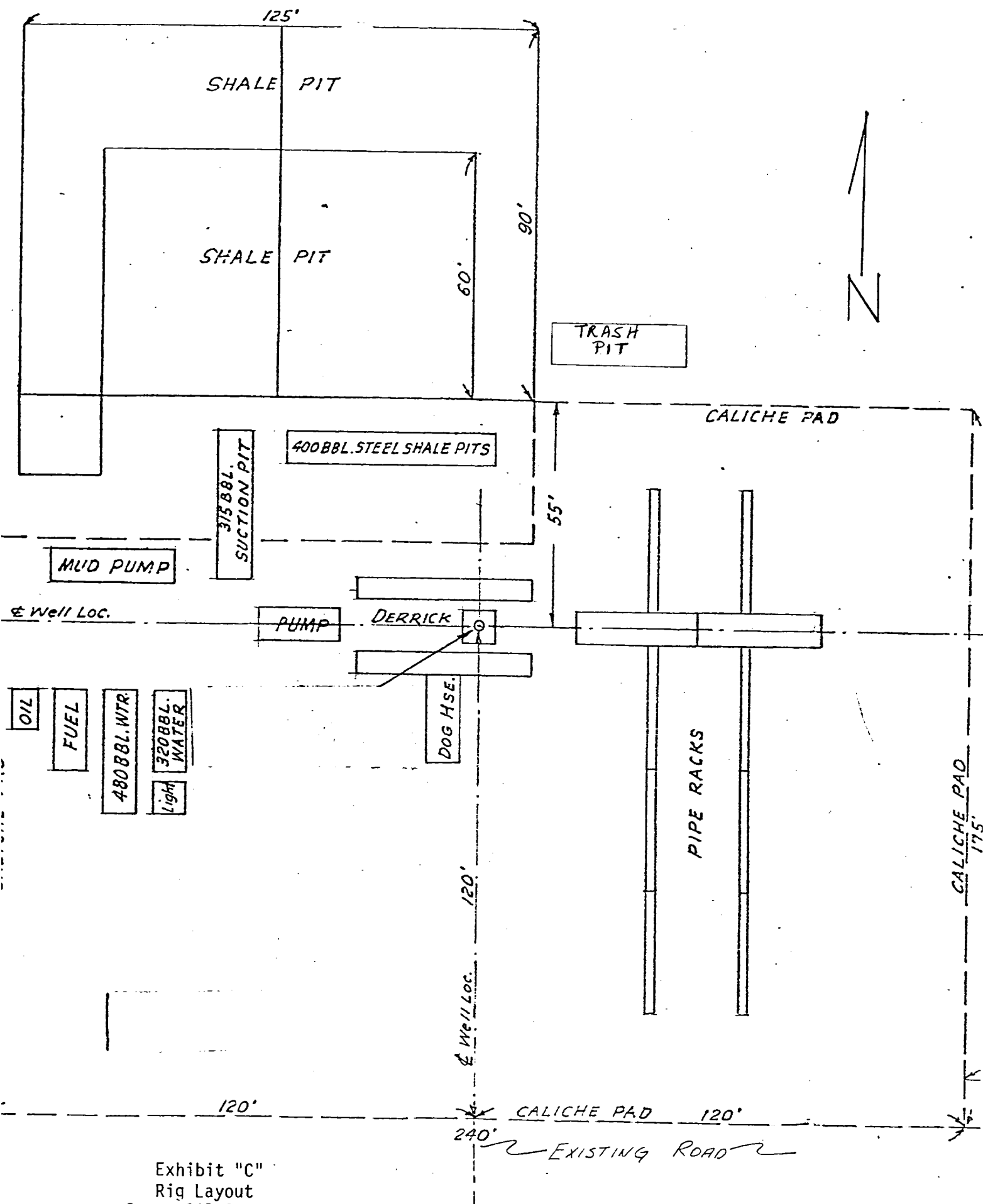


Exhibit "C"  
 Rig Layout  
 Saxon Oil Company  
 Well #1 Holly Federal  
 560' FNL, 1980' FEL, Sec. 28, T-7-S, R-35-E

1 - 7 station Koomey Accumulator

1 - Koomey Remote Stand

5000 WP Manifold

1 - 10<sup>0</sup> Shaeffer Double BOP 900 Series, 3000 WP

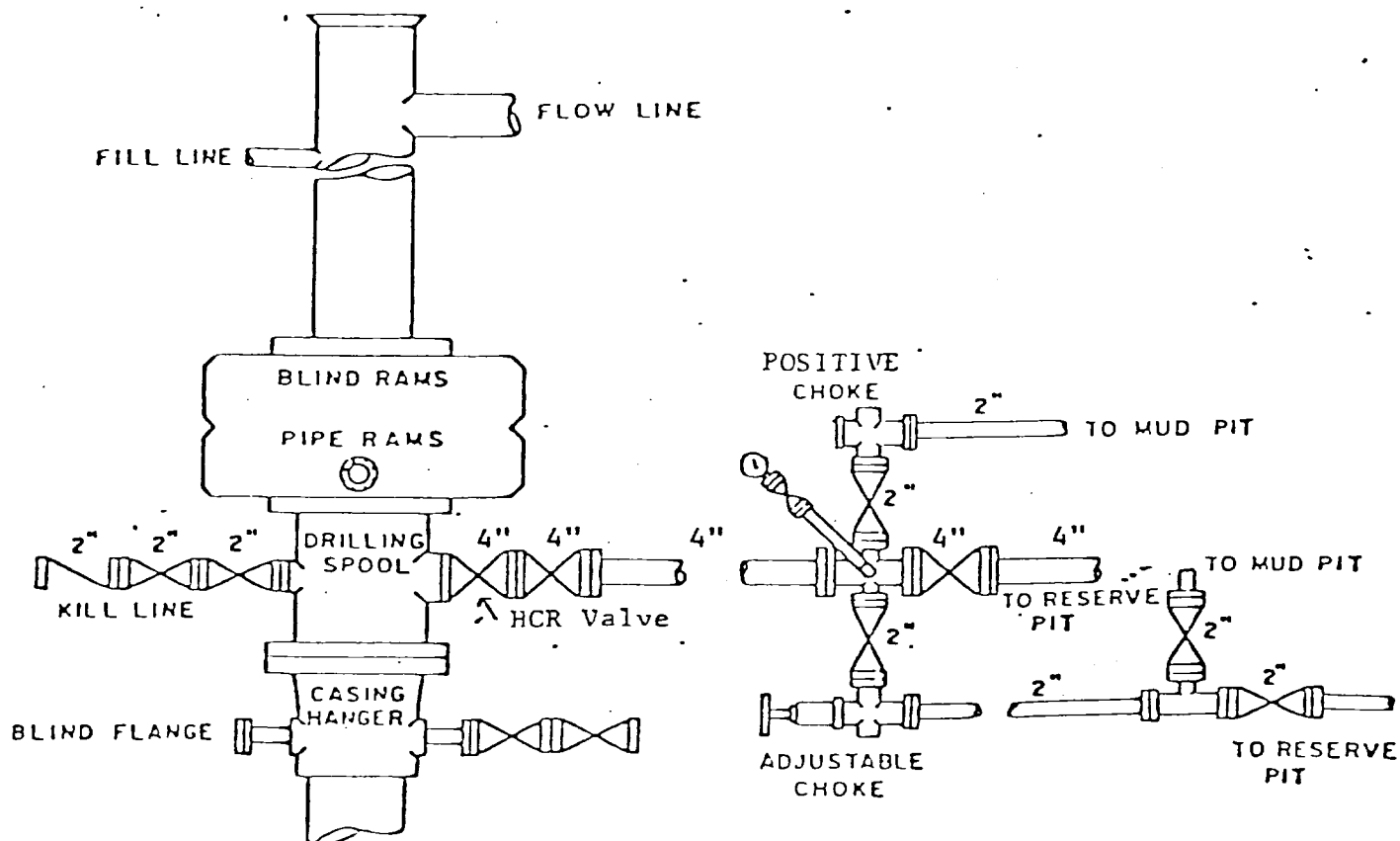


Exhibit "D"  
BOP Sketch

Saxon Oil Company  
Well #1 Holly Federal  
660' FNL, 1980' FEL, Sec. 28, T-7-S, R-35-E  
Roosevelt County, New Mexico

U. S. Geological Survey

HOBBS DISTRICT

Saxon Oil Company  
No. 1 Holly Federal  
NW $\frac{1}{4}$ NE $\frac{1}{4}$  sec. 28-7S-35E  
Lea County, N. M.

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Drilling Operations on Federal Oil and Gas Leases, dated January 1, 1977.
2. Notify this office (telephone (505) 393-3612) when the well is to be spudded and in sufficient time for a representative to witness all cementing operations. Attached are names and telephone numbers of Geological Survey and Bureau of Land Management personnel who are available for consultation during construction, drilling, completion, and rehabilitation activities.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval of the District Engineer for variance from the approved drilling program and before commencing plugging operations, plug-back work, casing repair work, corrective cementing operations, or suspending drilling operations indefinitely.
5. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.
6. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.
7. All pits found to contain toxic liquids will be fenced and covered with a fine-mesh netting (1/2" wide) for the protection of wildlife as directed by the responsible BLM representative.