SURFACE USE AND OPERATIONS PLAN FOR

DRILLING, COMPLETION, AND PRODUCING

NEARBURG PRODUCING COMPANY PYTHON 3 FEDERAL #7 SECTION 3-T20S-R33E LEA COUNTY, NEW MEXICO

LOCATED

5 mile Northeast of Halfway, New Mexico

OIL & GAS LEASE

NM - 17238

RECORD LESSEE

Eva G. Manning

BOND COVERAGE

\$25,000 statewide bond of Nearburg Producing Company

ACRES IN LEASE

40 acre

GRAZING LEASE

Kenneth Smith PO Box 764 Carlsbad, NM 88221

POOL

Teas Bone Spring

EXHIBITS

- A. Area Road Map
- B. Drilling Rig Layout
- C. Vicinity Oil & Gas Map
- D. Topographic & Location Verification Map
- E. Well Location & Acreage Dedication Map

This well will be drilled to a depth of approximately 9,700'.