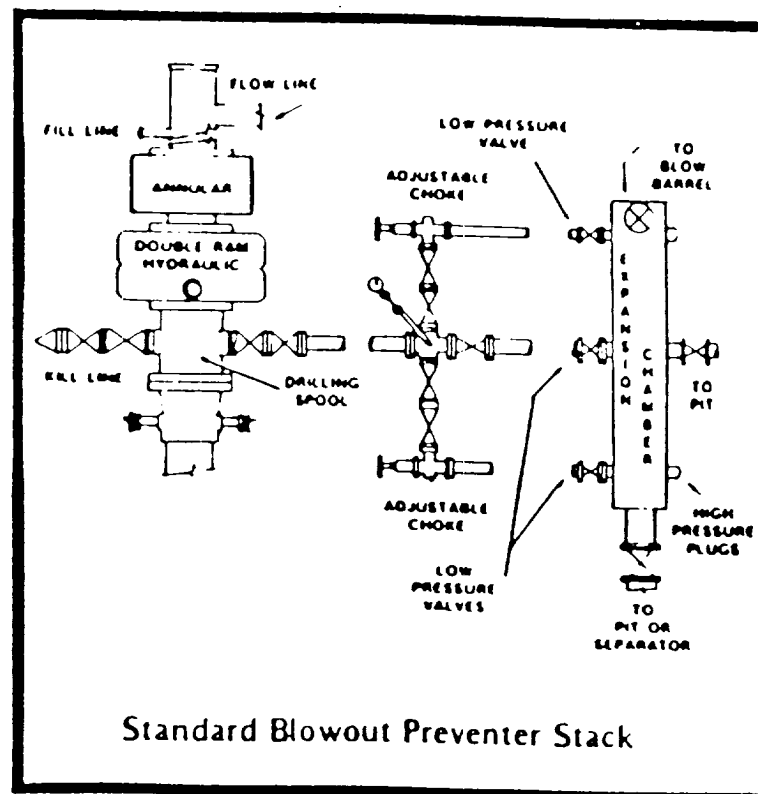


BLOWOUT PREVENTERS

One Shaffer LWS hydraulic double 11" x 5,000 p.s.i. One Shaffer 11" x 5,000 p.s.i. Choke manifold 4" x 5,000 p.s.i. flanged connections. Koomey 8-station accumulator closing unit with remote control.



SURFACE USE AND OPERATIONS PLAN

**Discovery Operating, Inc.
Flintstone Federal Well #1
1938' FNL & 2157' FWL
Sec. 24, T-23-S, R-35-E
Lea County, New Mexico**

Located: 12 miles NW of Jal, New Mexico

Federal Lease Number: NM 97158

Lease Issued: September 1, 1996 for 10 years

Record Lessee: Penwell Energy, Inc.

Acres in Lease: 160

Surface Ownership: United States of America

Grazing Permittee: Deep Wells Ranch

Pool: Wildcat (Strawn), Wildcat (Morrow)

Pool Rules: Statewide Rules

Attachments:

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