

SURFACE USE AND OPERATIONS PLAN
FOR
TEXACO EXPLORATION AND PRODUCTION, INC.

COTTON DRAW UNIT NO. 88
2210' FSL & 1360' FWL, SECTION 7,
TWP. 25 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

LOCATED: 32 miles Southeasterly of Loving, New Mexico and 35 miles
Southwesterly of Jal, New Mexico

FEDERAL LEASE NUMBER: NM 0503

LEASE ISSUED: Lease is in a producing status.

ACRES IN LEASE: 9384.52

RECORD LESSEE: Texaco Exploration and Production, Inc.

SURFACE OWNERSHIP: USA

GRAZING PERMITTEE: Clark Cattle Company
Attn: J. F. Hervella
c/o B & B Cattle Co.
El Paso, Texas

POOL: Paduca South, Wolfcamp; Delaware, undesignated

POOL RULES: Field Rules are for no wells to be located closer than
10' to any quarter-quarter section and to be 660' from the quarter
section lines for gas wells with a 320 Acre proration area. This
well is being permitted as an unorthodox location.

EXHIBITS: A. Access Road and Facilities Map

B. Drilling Rig Layout Diagram

C. Well Location and Acreage Dedication Plat