SURFACE USE AND OPERATIONS PLAN

FOR

CHEVRON USA, INC.

C. C. FRISTOE "A" FEDERAL (NCT-1) No. 14

660' FNL & 330' FWL, Section 35

TWP. 24 South, Range 37 East, N.M.P.M.,

Lea County, New Mexico

LOCATED: 5.3 Miles Northeasterly of Jal, New Mexico

FEDERAL LEASE NUMBER: NM-10934

LEASE ISSUED: Lease is in a producing status

ACRES IN LEASE: 80

RECORD LESSEE: CHEVRON USA INC.

SURFACE OWNERSHIP: El Paso Natural Gas P. O. Box 1492 El Paso, Texas 79978

POOL: Grayburg, San Andres

<u>POOL RULES:</u> Field rules are for no wells to be located closer than 330' to any quarter-quarter section and to be 330' from the lease line.

EXHIBITS: A. Access Road and Facilities Map

- B. Drilling Rig Layout Diagram
- C. Well Location and Acreage Dedication Plat