Holly Energy, Inc. W. D. McIntyre "A" Well No. 7 Page 2

constructed access road, in order to permit heavy vehicles and equipment to turn. The surface of the road will be crowned in the center, with drainage on both sides, and side cuts for drainage will be constructed if considered to be necessary. No new cattle guards or culverts will be necessary.

2. PLANNED ACCESS ROAD.

- A. The newly constructed access road will run in an east-to-west direction and will be only about 60 feet in length. It will join the drilling pad at the southeast corner of the pad. The road will be 12 feet in width and the surface will be crowned in the center, with drainage on both sides. No culverts or turnouts will be necessary.
- B. The center line of the proposed new road has been staked and flagged, and is clearly visible.

3. LOCATION OF EXISTING WELLS.

- A. There has been considerable drilling activity in the vicinity of the proposed location. Other wells and activity in the area surrounding the location are shown in Exhibit C.
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.
 - A. Other production facilities on this lease are indicated in Exhibit C. There is a producing shallow oil well at 2310' FSL and 1650' FWL.
 - B. If production of gas is encountered, a pipeline will be constucted to this well (No. 7) from an existing tank battery at well No. 6, located in the western half of the southeast quarter of the section (section 20). In this event, approval for the pipeline right-of-way will be requested from the BLM by the purchaser of the gas. See Exhibit C.