

SURFACE USE PLAN
APPLICATION FOR PERMIT TO DRILL
STRATA PRODUCTION COMPANY
NASH FEDERAL UNIT #10 WELL
1750' FNL & 1850' FEL
SEC. 12, T23S, R29E

This plan is submitted with form 3160-3, Application For Permit to Drill, covering the above captioned well. The purpose of this plan is to describe the location, the proposed construction activities and operations plan, the surface disturbance involved, and the rehabilitation of the surface after completion of said well so that an appraisal can be made of the environment affected by this well.

1. Existing Roads:
 - A. Area Map Exhibit "A" is a map showing the existing and proposed roads to the proposed location. All roads shall be maintained in a condition equal to that which existed prior to the start of construction.
 - B. Directions: From Loving, New Mexico, the well is located approximately 9 miles to the east off State Highway 128.
2. Planned access roads: Approximately 750' of new road will be built from the existing North Road, west to the proposed location.
 - A. Exhibit "B" is a plat showing the wellsite layout.
 - B. Construction: Gradient on all roads will be less than 5%.
 - C. No turnouts will be necessary.
 - D. If needed, road across pad will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.
 - E. No culverts are required.
 - F. No gates or cattle guards will be required.
3. Location of existing wells:
 - A. Water wells: None known.
 - B. Disposal wells: None known.
 - C. Oil and Gas wells: Location of existing wells within a two (2) mile radius of the location are shown on Exhibit "C". Land Status Map.
4. Location of Existing and/or Proposed Facilities:
 - A. If the well proves to be a producer, Strata Production Company will furnish maps or plats showing On Well pad facilities and Off Well pad facilities (if needed) on a Sundry Notice before construction of these facilities starts.