

SURFACE USE AND OPERATIONS PLAN

CANDY BUTTE #4

SANDOVAL COUNTY, NEW MEXICO

The following multipoint requirements and surface use plan is submitted for the subject well by Hanson Oil Corporation.

1. Existing Roads

- A. Proposed well as staked. See Surveyor's Plat.
- B. As shown, the planned well is approximately twenty-nine (29) miles Southeast of Cuba, New Mexico. To reach the planned well, take paved Highway 44 South out of Cuba for approximately eighteen (18) miles; at this point, turn Southwest on improved road and continue in a Southwesterly direction for approximately ten (10) miles. As marked on Exhibit #1 where pipeline road crosses improved road, turn Northwesterly on pipeline road approximately 3-1/4 miles to a point at the Southwest of the Northwest of Section 13, T.17N, R.3W, to existing road, turn Southwest on existing road approximately 1/2 mile to proposed location. Proposed location is situated in the NW/4 SE/4 of Section 14, T.17N, R.3W, N.M.P.M., Sandoval County, New Mexico; existing road will be upgraded.
- C. Existing Roads: See Exhibit #1
- D. See Exhibit #1
- E. Not applicable
- F. Existing roads will be bladed and watered as is necessary to maintain a useable road.

2. Planned Access Roads: See Exhibit #1

- 1. Width: See Exhibit #1
- 2. Maximum grades: See Exhibit #3
- 3. Turnouts: See Exhibit #1
- 4. Drainage Design: See Exhibit #5
- 5. Culverts will be installed as per B.L.M. requirements.
- 6. Surfacing Material: All construction materials will be of local origin and no surface material will be disturbed except for the grading of the actual roads and location.