

SURFACE USE PLAN

Continental Oil Company, AXI Apache "O" No. 12
1600' FSL and 860' FWL of Section 4, T-25N, R-4W
Lease Contract No. 122, Rio Arriba County, NM

This plan is to accompany "Application for Permit to Drill" the subject well. The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and sub-contractors will be aware of all items of this plan.

1. Existing Roads

- A. The proposed well site is 1600' FSL and 860' FWL of Section 4, T-25N, R-4W, Rio Arriba County, New Mexico.
- B. Exhibit "A" is a portion of a AXI Apache "O" Lease map showing existing roads and proposed new road & location.
- C. The access roads are shown on Exhibits "A" and "B".

2. Planned Access Roads

Access is from an existing roadway which runs directly to the site. Roads may be altered at the discretion of the Jicarilla Apache Tribe and will be constructed and maintained according to their specifications.

3. Location of Existing Wells

See Exhibit "A".

4. Location of Existing and/or Proposed Facilities

- A. Tank Batteries: One 400-Bbl. tank and a production unit will be located on well site.
- B. Rehabilitation: Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

5. Water Supply

The supply of water will be hauled from Largo Wash SE/4, Section 10, T-24N, R-4W, Rio Arriba County, New Mexico.

6. Source of Construction Materials

Not applicable. Drilling pad to be compacted.