

SURFACE USE PLAN

FORTSON OIL COMPANY
Cotton Draw Federal 'Com' No. 1
1980' FNL & 660' FWL
Sec. 23, T24S, R31E
Eddy County, N.M.

1. Location of Proposed Well:

A. Exhibit 'A' is a portion of a highway map displaying the location as staked. Location is situated approximately 17 air miles southeast of Loving, New Mexico.

2. Access Roads to be Constructed:

A. Exhibit 'B' displays the existing roads in the immediate area.

B. Proposed new access road will be 14' wide by approximately 1800' in length and will enter the southwest corner of the location as displayed on Exhibit 'B'.

C. Existing roads to location will be used in their present state. An "off lease" access road R/W will be required to the proposed location. Proposed "off lease" access road map and check is enclosed with the Permit to Drill.

D. One cattleguard will be required as displayed on Exhibit 'B'.

3. Location of Existing Wells:

A. Exhibit 'C' displays existing wells in the immediate area.

4. Location of Proposed Production Facilities:

A. Necessary production equipment will be constructed on the well pad.

5. Location and Type of Water Supply:

A. Greenwood Tank is located 1800' north and east of proposed location.

B. Water necessary for drilling operations will be purchased from a nearby source and trucked to the drillsite.