MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MGF Oil Corporation
Rutter Federal Well No. 1
1980' FEL & 660' FSL, Sec. 14. TlOS, R29E
Chaves County, New Mexico
Lease No.: NM 14774
(Development Well)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a New Mexico State Highway map showing the well as staked. The well is approximately 35.7 miles east of Roswell on U. S. Highway 380. The 35.7 miles consists of 33.2 miles of U.S. Highway 380 and a county maintained ranch road for 1.8 miles to the turnoff to the access road to the Bikar Federal No. 1 well. The proposed access road will turnoff of the existing access road.
- B. Directions: Travel east of the junction of U. S. Highway 380 and 70 in Roswell, 33.2 miles on U. S. Highway 380. Approximately .2 mile west of the old Oasis store and just past mileage marker 187, turn north on the county/ranch road to the Sand Ranch (sign at turnoff). After traveling north .3 mile turn north-east at the "Y" (right) for approximately 1.5 miles, then turn left (north) just before reaching the ranch headquarters. This is the access road to the Bikar Federal Well No. 1. Travel .4 mile crossing cattleguard. The proposed access road starts at the first truck turnaround just past (.1 mile) the cattleguard and travels southeast for approximately 1400'. See Exhibit "B".

2. PLANNED ACCESS ROAD:

- A. Length and Width: The new access road will be 12 feet wide (20" ROW) and approximately 1,400 feet long, from the point of origin at the existing access road to the southwest edge of the drilling pad. The new access road is labeled and color coded red on Exhibit "A" and "B". The road has been staked and flagged.
- B. Construction: The new road will be constructed by grading and topping with compacted caliche. The surface will be properly drained.
- C. Turnouts: There will be at least one possibly two turnouts, which will increase the road width to 20 feet for passing.
- D. Culverts: None required.
- E. Cuts and Fills: Some minor cuts and fills will be required because of the 1 - 2 feet high sand dunes.
- F. Gates, Cattleguards: One cattleguard will be installed about 500 feet from the point of origin of the proposed access road.