

## MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation  
Long Arroyo "MQ" Federal #1  
1650' FNL and 1650' FWL  
(Exploratory Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operation.

### 1. EXISTING ROADS.

Exhibit A is a portion of a USGS topographic map showing the wells and roads in the vicinity of the proposed location. The proposed wellsite is located approximately  $8\frac{1}{2}$  miles east of Hagerman, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

#### DIRECTIONS:

1. Proceed east from Hagerman on Highway 31 for a distance of approximately  $8\frac{1}{2}$  miles
2. Turn south to the Phillips "KH" location
3. New road - continue going south (1/2 mile) to the pipeline, follow it for 1/4 mile to a dry hole, then go east for a 1/4 mile to location.

### 2. PLANNED ACCESS ROAD.

- A. The proposed new access will be approximately 1 mile in length from point of origin to the edge of the drilling pad. The road will lie in a north-to-south direction.
- B. The new road will be 12 feet in width (driving surface).
- C. The new road will be covered with the necessary depth of caliche. The surface will be crowned, with drainage on both sides. Three turnouts will be necessary.

### 3. LOCATION OF EXISTING WELLS.

- A. Drilling activity within a one-mile radius of the wellsite is shown on Exhibit A. The nearest production is a gas well in the NE $\frac{1}{4}$  of Section 35 (1 mile south) and the Phillip "KH" 1 mile north.

### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no production facilities on this lease at the present time.