

SURFACE USE AND OPERATIONS PLAN

MESA PETROLEUM CO

~~VANDACRIFF FEDERAL #2~~

Sec 1, T16S, R27E

EDDY COUNTY, NEW MEXICO

Diamond Mound Fed. #1

The following information and plan is submitted for the subject well by Mesa Petroleum Co.

1. Existing roads in the vicinity of planned well are shown on attached Exhibit I. As shown, the planned well is approximately $8\frac{1}{2}$ miles east-southeast of Lake Arthur, New Mexico. The subject well can be reached by traveling from Lake Arthur 3.3 miles east and south on Highway 507; 5.0 miles east on improved county road; then 2.0 miles south on caliche road. At this point, the subject location will be about $\frac{3}{16}$ mile east, across gentle sloping terrain.
2. The planned access road is depicted by attached Exhibits I and II. Grading, and topping with caliche, is all that is planned for the proposed access road. The access road will be 12 feet in width (20' ROW width). A typical cross section is shown by Exhibit III. There will be no culverts set because elevation change from existing road to proposed location is about 5 feet in $\frac{3}{16}$ mile as indicated by Exhibit V. There is one fence between the present roadway and the proposed location (at the section line) therefore, one cattleguard will be installed.
3. Exhibit II illustrates all wells within a one mile radius.
4. If the subject well proves commercial, gas separation-process equipment and tank battery will be located on the subject well's drilling pad. There are no gas or oil lines in the immediate area.
5. Both fresh and brine water utilized to drill the subject well will be hauled to location by truck transport over the existing and proposed access road. The source for brine water is near Artesia, New Mexico. The fresh water source is near Lake Arthur.
6. Top soil from the location proper will be stock piled near the location for future re-habilitation use. No surface materials will be disturbed except those necessary for the actual grading - leveling of the drill site and access road. (See Exhibit III). With the exception of the 6" caliche top coat (compacted), all construction materials will be of local origin. Caliche to be used for topping the roadway and location, is located approximately 4 miles northwest of the proposed location in an existing open pit (NW/SE 25-15-26). The caliche will be transported over the existing and proposed access roadways.