

REFACE USE AND OPERATIONS PLAN  
MESA PETROLEUM CO  
WILLIS FEDERAL COM NO. 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 7-1/2 miles southeast of Artesia, New Mexico. The well can be reached by driving 5 miles east of Artesia on U.S. Highway 82, then turn south on paved road and travel approximately 1.7 miles. Turn east on lease road and travel approximately 1/3 mile to Mesa Potter Fed Com #1, then 2/3 mile east to Mesa Berry Federal Com #1. At this point, the subject location will be approximately 1/2 mile east.
2. The planned access road is depicted by attached Exhibit 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). There will be no culverts set because primary drainage for this immediate area is in an east to west direction. There is essentially no elevation change from the existing road to the proposed location. However, a small draw with a decrease in elevation of approximately 5' must be crossed approximately 1/4 mile east of the existing location. A topographic map of the existing location (Berry Federal Com #1) and the proposed location (Willis Federal Com #1) with the planned access road between the two locations is shown on Exhibit V. There are no fences between the present roadway and the proposed location, therefore, cattleguards or gates will not be necessary.
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.
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 Carlsbad, New Mexico. Fresh water is located approximately 3-1/2 miles northwest of the proposed location and is alongside of US 82.
6. The 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 3-1/2 miles northwest of the proposed location in an existing open pit (SE/4 SE/4 Sec 7, T17S, R27E). This caliche will be transported over the existing and proposed access roadways.
7. Drill cuttings will be accumulated in the earthen reserve pit which will also be plastic lined. All necessary precautions will be taken to prevent drainage into Logan Draw. After the pit has sufficiently dried following drilling operation, the solids accumulation will be buried. Trash and garbage will be contained in an earthen pit and buried once drilling operations are completed. Sewage will be collected in a pit at least 6' deep below an outside latrine; suitable chemicals will be added to aid decomposition of the waste material. The pit will be back filled following completion of drilling operations. All pits will be fenced with normal fencing material to prevent livestock from entering the area.