SURFACE USE AND OPERATIONS PLAN SDX RESOURCES, INC. **Woden Federal # 1** 660' FNL, 1650' FEL Unit B, Sec. 23, T17S, R27E Eddy Co., NM

1. Existing Roads:

- A. The original well site and elevation plat for the well is shown in Exhibit #2A. An SDX Resources Plat is shown in exhibit #2B.
- B. All roads to the location are shown in Exhibit #3A. The existing rods are labeled and upgrading of the road prior to drilling will be done where necessary as determined during the onsite inspection.
- C. Directions to location: E. of Artesia on Hwy. 82 ~ 8 miles . Turn left on CR 202. Go .5 M on 202 and turn left. Go 1 M and turn left to location.
- D. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.
- 2. Proposed Access Road:

Exhibit #3A shows the existing road.

No new road is necessary.

3. Location of Existing Wells:

Exhibit #4 shows all existing wells within a one-mile radius of this well.

- 4. Location of Existing and/or Proposed Facilities and ROW's:
 - A. If the Re-entry is successful:
 - 1. The well will be tested and any necessary facilities (Triplex pump, 2-500 bbl. FG brine tanks) will be located on the existing well pad.
 - 2. A Power line will be built to location and will be permitted by Central Valley Electric Company.
 - B. Rehabilitation plans are as follows:

1. The workover pit will be back-filled after the contents of the pit are dry (within 120 days after the well is complete).

2. Topsoil removed from the drill site will be used to raconteur the pit area to the original natural level, as nearly as possible, and reseeded as per BLM specifications.