

SURFACE USE AND OPERATIONS PL.
SDX RESOURCES, INC.
Berry Federal # 34
1650' FNL, 1650' FEL
Unit G, Sec. 23, T17S, R27E
Eddy Co., NM

1. Existing Roads:

- A. The well site and elevation plat for the proposed well is shown in Exhibit #2. It was staked by Dan Reddy, Carlsbad, New Mexico.
- B. All roads to the location are shown in Exhibit #3A. The existing roads 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 right on CR 202. Go .5 M on 202 and turn left. Go .45 M and turn right 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.

900' of new road will be needed. It is shown on Exhibit #3 A & B.

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 well is productive:
 - 1. The well will be tested and any necessary production facilities (4x20 heater, 2- 210 bbl. stock tanks, and a 210 bbl.FG brine tank) will be located on the existing well pad.
 - 2. A 3" poly gas sales line will be laid from the battery beside the proposed access road and will be connected to the existing gas sales line on the lease and is shown in exhibit #3B.
 - 3. A Power line will be built to location and will be permitted by Central Valley Electric Company.
- B. If the well is productive, rehabilitation plans are as follows:
 - 1. The reserve 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 restore the pit area to the original natural level, as nearly as possible, and reseeded as per BLM specifications.