

SURFACE DEVELOPMENT PLAN

Midwest Oil Corporation
South Empire Deep Unit #5
2180' FEL & 1980' FNL
Sec. 31, T17S, R29E
Eddy County, New Mexico

1. Existing roads - See attached map.
2. Planned access roads - See attached plat.
3. Location of wells - No. 4 S. Empire approximately 1 mile E, #3-1/2 mile South.
4. Lateral roads to well locations - See attached map.
5. Tank batteries and flow lines will be located on well pad.
6. Water supply - Water to be supplied by trucks.
7. Waste disposal - All paper, metal, wood and other waste material will be collected and disposed of in a waste collection pit located northwest of the pad's edge. The waste pit will be covered when the drilling and completion operation is finalized.
8. Produced brine water will be collected in a metal tank & trucked to the nearest available salt water disposal facility.
9. Produced oil & gas will be sold through the best available market in the area.
10. Location layout - See attached plat.
11. Restoration of surface - Reserve pits will be levelled & smoothed after drying. The area will be cleaned of all waste & restored as nearly as possible to its original contour.
12. Blowout preventer equipment will be installed when surface casing is set.

MUD PROGRAM

<u>Interval</u>	<u>Type</u>	<u>Weight/Gal</u>	<u>Viscosity</u>	<u>W.L.</u>	<u>Other</u>
0-375	Spud mud	No control	No control	No control	
375-3400	Brine wtr	No control	No control	No control	
3400-8600	Brine wtr	9.2	No control	No control	PH 10.0
8600-10300	Non-dispersed	9.2	32-34	10	
10300-TD		9.4	34-36	5 or less	

Bonnie Husband

Production Clerk

6-21-74