

g. DISTANCES TO:

- (1) Ponds and Streams - There are no surface waters within $\frac{3}{4}$ mile.
- (2) Water Wells - There are no water wells within $\frac{1}{2}$ mile.
- (3) Residences and Building - Holly Energy has pipe yard and lease house located 650' from well prospect.
- (4) Arroyos, Canyons, Hills, etc. - Outside of small sand dunes there are no surface features.

h. WELL SIGN - Sign identifying and locating proposed well will be maintained at the drill site commencing with the spudding of the well.

i. OPEN PITS - All pits containing mud or other liquids will be guarded.

4. ROADS

- a. EXISTING ROADS - All existing roads within the immediate area of well site are shown on Exhibit "B"
- b. PLANNED ROADS - Planned access road will require less than 250 feet of new road that is 12 feet wide. The road will be surfaced with caliche. The proposed road is colored blue and a suggested route to the location is colored red on Exhibit "B". Little improvement will be required on existing access road.
- c. FENCES, GATES AND CATTLE GUARDS - Will be maintained as Holly Energy already operates several wells in the immediate area.

5. TANK BATTERY - If production is encountered no additional battery will be required as sufficient facilities are already on the lease.

6. LEASE - PIPELINES

- a. EXISTING - All existing pipelines are shown on Exhibit "B"
- b. PLANNED - If production is encountered, flowline will consist of about 300' of 2" steel line on top of ground shown in orange on Exhibit "B".

7. WASTE DISPOSAL - Barrel trash containers will be in accessible locations within the drill site area during the drilling and completion operations. A waste disposal pit will be deep enough to handle waste and will be covered with a minimum of 2 feet of top soil. See Exhibit "C" for pit location. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be disposed of by transporter to approved S.W.D. system.

8. WATER SUPPLY - Water supply to drill this well will be fresh and hauled by transports over the existing and proposed roads.

9. ARCHAEOLOGICAL RESOURCES - None were observed.
10. RESTORATION OF SURFACE - If well is productive, pits will be back-filled and leveled as soon as practical. Upon final abandonment of well, well site will be leveled and cleaned, with land returned as near as possible to original condition.
11. OPERATORS' REPRESENTATIVES - Field personnel who can be contacted concerning compliance of this surface use plan are as follows:

DRILLING AND PRODUCTION

Robert Loyd
Box 726
Artesia, New Mexico 88210
Office Phone: 746-6161
Home Phone: 746-3422
Mobil Phone: 365-2521