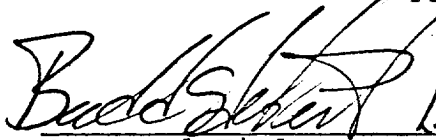


8. ANCILLARY FACILITIES: No camps, airstrips, etc. will be constructed.
9. WELLSITE LAYOUT: Refer to Exhibit C. This shows the position of the drill pad, rig, reserve pits, burn pit, mud pits, jet pump, pipe racks, pumps, water tanks, parking area, and access road. Pad size is 270' X 215'. Cut and fill will be minimal (maximum cut of 1 foot; maximum fill of 1.7 feet). Surface will be caliche. Reserve pits will be located on the southeast corner of the pad. Pad and pit areas are flagged.
10. RESTORATION OF SURFACE: If the well is productive, pits will be fenced until dry, then back filled and levelled as soon as practical. Location will be cleaned and excess material removed from the location. Upon abandonment, the location will be cleaned and levelled or restored in compliance with BLM stipulations.
11. OTHER INFORMATION:
- (a) Topography is flat on the pad site and access road. The south bank of the Rio Penasco comes within 250' of the well.
 - (b) Soil is Reagan - Upton association characteristic of gently undulating plains areas.
 - (c) Flora includes snake grass, creosote bush, low grasses & parsely distributed.
 - (d) Fauna includes hawks, mice, rabbits & snakes.
 - (e) Ponds, lakes and rivers in the are consist of the Rio Penasco which is intermittant.
 - (f) Land use consists of grazing.
 - (g) Surface ownership is held by Diamond A Cattle Company.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVE: Contact Budd Hebert or Eddie M. Mahfood of Yates Petroleum Corporation, 207 South Fourth Street, Artesia, New Mexico 88210. Phone: 505-746-3558.
13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.


Name and Title LAND ENGINEER

1-11-78
Date