

2. PLANNED ACCESS ROAD.

- A. The proposed new access road will be approximately 1.1 mile in length from point of origin to the southeast corner of the drilling pad. The proposed road will begin in a southerly direction for .4 miles, then west for .5 miles, then southwest .2 miles to the drilling pad.
- B. The new road will be 12 feet in width (driving surface) and will require one cattle guard. No culverts will be necessary.
- C. The new road will be covered with the necessary depth of caliche. The surface will be crowned, with drainage on both sides. Two turnouts and 2 water diversions will be constructed along the route of the road.
- D. The center line of the new road has been flagged and the route of the road will follow the existing trail type road, which is clearly visible.

3. LOCATION OF EXISTING WELLS.

- A. The well locations in the vicinity of the proposed well are shown in Exhibit E. There are several producing wells within a one-mile radius. The nearest production is a well at 2300' FSL and 1000' FEL of Section 29-T18S-R27E.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no producing oil or gas wells on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive of oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCES OF CONSTRUCTION MATERIALS.

- A. Any caliche required for construction of the drilling pad and the new access road will be obtained either from an existing pit on federally owned surface in Section 27-T18S-R27E, or from a newly opened pit within a two-mile radius of the drillsite. In the latter case, authorization for a new pit will be sought from the BLM by the dirt contractor, New-Mex Construction Co., Inc.