SURFACE USE PLAN

CLARENCE FORISTER SIVLEY FEDERAL #2 1980' FNL & 1930' FEL SECTION 30, T-18S, R-29E LEASE NM-0924

RE-ENTRY OF HONDO DRILLING COMPANY'S ALSCOTT FEDERAL #4

1. EXISTING ROADS.

Exhibit A shows Roads in the vicinity of the location and the access route. Only the existing road and location pad will be used. The road and location will be bladed only. No new construction will be done.

DIRECTIONS:

- Proceed east from Artesia on Highway 82 approximately 14 miles.
- 2. Turn southeast on to State Road 360 for approximately 7 miles. Turn SSW at Hondo Drilling Company sign for 3 miles. Turn west 1 mile, then north 1 mile.
- 2. PLANNED ACCESS ROAD.
 - A. None planned.
- 3. LOCATION OF EXISTING WELLS.
 - A. Location is an offset to South Loco Hills Unit operated by Yates Drilling Company. See Exhibit B.
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES
 - A. There are no production facilities 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 oil, a gas or diesel self-contained unit will be used to provide the necessary power. Electric power may be used at a later date.