Proposed Development Plan for Surface Use Federal BA Gas Com. Well No. 1 1980' FNL & 760 FWL, Sec. 4, T-18-S, R-27-E Eddy County, New Mexico

1. Existing roads including location of exit from main highway.

Detailed map showing drillsite location in relation to the nearest town and all existing roads within one mile of the wellsite are shown on Exhibit A. Go 5.3 miles east of Artesia on US Highway 82. Turn south on paved road located half-way between mile markers 112 and 113. Go 4.1 miles crossing three cattle guards (pavement ends after second cattle gu ard). Turn left and go .6 mile to location. Planned access roads.

2.

Access road will be built .6 mile from location west to existing road.

Location of existing wells. 3.

All existing well within one mile radius are shown on Exhibit C.

4. location of tank batteries and flow lines

If the well is commercially productive, the production facilities (i.e. tanks. seperators, & treaters) will be located on existing pad.

5. Location and type of water supply.

Fresh & brine water to be hauled by commercial hauler.

6. Source of construction materials.

Caliche will be obtained from a pit located in the SW/4, SW/4, Sec. 36, T-17-S, R-27-E, Eddy County, NM

- 7. WASTE DISPOSAL
 - a. Drill cuttings will be disposed of in the reserve pit.
 - b. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.