

SURFACE USE PLAN

MERIDIAN OIL INC.

Culwin, "35" Fed. No. 1
1900 FSL & 000 FEL
Sec. 35, T-18-S, R-30-E
Eddy County, New Mexico
NM-56542

This plan is submitted with Application to Drill on above described well. The minerals are federal and the surface is leased for grazing (See below for surface lessee). The purpose of this plan is to describe the location, proposed construction activities and operations plans, magnitude of necessary surface disturbance and procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made of the environmental effects associated with the operations.

1. Existing Roads:

Exhibit "A" is a portion of a USGS Topograph map showing the location of the proposed well as staked.

Directions to the well are as follows: Go east of Loco Hills six mile to County Road 322. Go 6 3/4 miles and turn right on Grubbs road. Go 2 3/4 miles and turn left at Texaco sign. Go approximately one mile on lease road to location.

Planned Access Road:

- a. One road will be built from the existing lease road to the proposed location. New road required will be 12 feet wide and 1600 feet long. The center line of the proposed new road from the beginning to the well site has been staked and flagged with the stakes being visible from any one to the next.
- b. Surfacing Material: 6" of caliche, watered, compacted and graded.

3. Location of Existing Wells in Area:

See Exhibit "B"

4. Location of Proposed Facilities:

Location of proposed well site and tank battery is shown on Exhibit "C". The battery will be located on proposed well pad, no additional surface disturbance will be necessary.

5. Water Supply:

- a. No available surface or sub-surface fresh water exists in the vicinity of the proposed well. Drilling water will be transported or pumped to the drill site from the nearest commercial source.