

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation

Chalk "AKH" Federal #2

660' FNL and 1330' FEL

Section 27-T18S-R27E

Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 12 miles east of Artesia, New Mexico and the access route to the location is indicated in red and green on exhibit A.

DIRECTIONS:

1. Go east of Artesia on Highway 82 to Illinois Camp Road.
2. Turn south for approximately 4.5 miles to Eddy County Road #234.
3. Turn west for 1/2 mile and cross cattleguard.
4. Follow caliche road for 2 miles to cattleguard and take left after cattleguard for 1/4 mile.
5. New road starts here.

2. PLANNED ACCESS ROAD

- A. The proposed new access will be approximately 500' in length from point of origin to the Northeast edge of the drilling pad. The road will lie in a north to south direction.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on one side. No traffic turnouts will be built.
- D. The route of the road is visible.