

DEVELOPMENT PLAN FOR SURFACE USE  
TO ACCOMPANY "APPLICATIONS TO DRILL  
ONSHORE OIL, GAS, OR GEOTHERMAL  
STEAM WELLS ON PUBLIC DOMAIN AND  
ACQUIRED FEDERAL LANDS

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PENROC OIL CORPORATION

U. S. A. No. 1  
1980' FNL & 1980' FEL  
Section 35, T-20-S, R-28-E  
Eddy County, New Mexico

1. Existing Roads

Proposed location is approximately 15 miles northeast of Carlsbad, New Mexico, and is reached by traveling east on U. S. Highway 62-180 approximately seven miles thence north on the Russell Field Road for about twelve miles to the Winchester Field. See attached reproduction from USGS Oil City Quadrangle, marked Exhibit "A", for older existing roads.

More recent caliche surfaced roads and access roads to other nearby well locations are shown on map marked Exhibit "B" in yellow color.

2. Planned Access Roads

Refer to Exhibit "B".

The proposed U.S.A. No. 1 is approximately 1320 feet due north of the Penroc Oil Corporation Dero-Federal No. 2-A, a Wolfcamp producer located in NW/SE Section 35.

It is proposed to construct a new normal width caliche surfaced road extending northward from the Dero-Federal No. 2-A covering the approximate 1320 feet distance indicated by the blue colored line.

3. Location of Existing Wells

See Exhibit "B".

4. Lateral Roads to Well Location

See Exhibit "B".