

R. M. Richardson -
P.O. Box 819, Roswell, New Mexico 88201

CC Tank Unit No. 3 Federal
1980' FSL & 1980' FEL of Section 12-20S-23E
Eddy County, New Mexico

Development plan to accompany "APPLICATION TO DRILL", Federal Lease.
12-Point Plan.

1. EXISTING ROADS: See Plat (Exhibit A) Ranch road bladed partly county maintained; Operator will caliche or maintain where needed.
2. PLANNED ACCESS ROADS: See Plat (Exhibit A) Northwest across draw and up rock ground to location, least new road-building.
3. LOCATION OF WELLS: See Plat (Exhibit A) Exploration well in Federal Unit Area.
4. LATERAL ROADS TO LOCATION: See Plat (Exhibit A) First well in Unit area, no lateral roads planned at this time.
5. LOCATION OF TANK BATTERY & FLOWLINES: See Plat (Exhibit C) On east side of pad, near access road.
6. LOCATION & TYPES OF WATER SUPPLY: See Plat (Exhibit A) Drilling water will be trucked from available drilling water supply.
7. METHODS FOR HANDLING WASTE DISPOSAL: See Sketch (Exhibit C) Mud in reserve pits, waste and engine oil in trash pit.
8. LOCATION OF CAMPS: Not Applicable.
9. LOCATION OF AIRSTRIPS: Not Applicable.
10. LOCATION LAYOUT (rig, tanks, pits, racks, etc.): See Sketch (Exhibit C)
11. PLANS FOR RESTORATION OF SURFACE: Pits to be fenced until dry then leveled. Upon abandonment, surface to be cleaned and smoothed to near original.
12. OTHER ENVIRONMENT INFORMATION: Hilly terrain with prairie grass, greasewood cactus and yellow tops, rocky ground, eroded drainage patterns, least disturbance of BLM surface and grazing rights protected to satisfaction of rancher - Mr. Frank Runyan.
13. Company representative will be Eddie Mahfood - P.E. c/o Yates Petroleum Corporation - Phone # 746-3558 A/C 505.