SURFACE USE PLAN

MERIDIAN OIL INC.

Benson "3" Federal No. 1 760' FNL & 2080' FEL Sec. 3, T-19-S, R-30-E Eddy County, New Mexico NM-29228

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: Off of Carlsbad Hwy 62 & 180 take Hwy 31 north 6 miles to Hwy 360. Go 12 miles to NM 6. Turn East at Duval Shaft Sign. Go additional 1 1/2 miles northeast and turn right on Grubbs road. Go due East approximately 1 1/2 miles and turn south on lease road and go 1 mile, turn left to location.

- 2. <u>Planned Access Road:</u>
- a. Access road will be 12' x 500' to the north of existing roads.
- 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.

6. Source of Construction Material:

Caliche for surfacing access road and pad will be obtained, from existing pit located in the W/2 of SW/4 NW/4 of Section 9. Must the aware of marked Archaeological site. The pit has been approved by BLM and suggested as a source of caliche for pad and road construction.

