

MULTI-POINT SURFACE USE AND OPERATING PLAN

MEWBOURNE OIL COMPANY

LAKE SHORE FEDERAL WELL NO. 1

990' FNL & 990' FEL OF SEC. 20-T19S-R27E

EDDY COUNTY, NEW MEXICO

NEW MEXICO LEASE NO. 13409

This plan is submitted with the Application for Permit to Drill (APD) the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan and the magnitude of necessary surface disturbance involved, so that a complete appraisal can be made of the enviromental effects associated with the operation. The surface to be disturbed is privately owned and a surface use agreement has been signed with the land owner.

1. EXISTING ROADS:

A. Exhibit "A" is a portion of an Eddy County, New Mexico road map showing the location of the proposed well as staked. From the junction of U.S. Highway 285 and North Canal Street in Carlsbad, New Mexico, proceed North on Canal Street, which becomes Eddy County road #206 for 15 miles. Turn left (West) on Eddy County road #236. Proceed for 4 miles and turn right (West) at fork in road and proceed for 1.5 miles. Turn right (North) into location.

B. Culverts: None required.

C. Cuts and Fills: A two and half cut will be required for construction of the location.

D. Turn-Outs: Three required.

E. Gates and Cattleguards: None required.

2. LOCATION OF EXISTING WELLS:

A. Existing wells in a 1 mile radius are shown on Exhibit "B".

3. LOCATION OF PROPOSED FACILITIES:

A. If the well is productive, all production facilities will be constructed on the existing pad and no additional surface disturbance will occur.