

EAST SHUGART UNIT #44
SURFACE USE AND OPERATING PLAN
PAGE 2

- E. No cattle guards, grates or fence cuts will be required.
- F. No turnouts are planned.

3. Location of Existing Wells:

Exhibit #4 shows all existing wells within a one-mile radius of the proposed East Shugart Unit #44. There are 65 total wells which include 28 active Yates/Queen/Seven Rivers/Grayburg producers, 15 active Queen producers, 3 active Penn (Penn/Silurian) producers, 11 inactive wells, 1 inactive Penn well, 4 water injection wells and 3 plugged and abandoned wells. A list of the wells is depicted on Exhibit #4 attachment.

4. Location of Existing and/or Proposed Facilities:

- A. Devon Energy Corporation operates one production facility in this unit in Section 35. It is as follows:

- (3) Heater treaters & tank battery (NW SW)

- Water injection plant and (2) water tanks

- B. In the event the well is found productive, it will be added to the central production facility (refer to Exhibit #5).

- C. The well will be operated by means of an electric motor.

- D. If the well is productive, rehabilitation plans are as follows:

- 1. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after completion, weather permitting).
 - 2. Caliche from unused portions of the drill pad will be removed. The original topsoil from the well site will be returned to the location. The drill site will then be contoured to the original natural state.