MULTI-POINT SURFACE USE AND OPERATIONS PLAN

SPENCE ENERGY COMPANY
No.3 Unocal Federal 23
SESW Sec.23-19S-30E
Eddy County, New Mexico
Federal Lease NM-4350

This plan is submitted with the Application for Permit to Drill 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, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a road map showing the location of the proposed well as staked. The well is approximately 23 air miles northeast of Carlsbad, New Mexico.
- B. <u>Directions</u>: Go northeast from Carlsbad, N.M. on U.S. 62 a distance of 15 miles. Turn northeast on NM 31 and go 5.6 miles to Eddy 222. Go northeast on Eddy 222 for 1.8 miles. Turn north on caliche lease road and go 2.5 miles to well No. 106. Go 1000' southwest to No.1 well. Go 500' southwest to No.3 well.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The access road will be about 500' long and 14' wide.
- B. <u>Surfacing Material</u>: If necessary the road and well pad will be surfaced with 6" of caliche.
- C. Maximum Grade: Less than 2%
- D. <u>Turnouts</u>: No traffic turnouts are necessary.
- E. <u>Drainage Design</u>: The road will be maintained with a 6" crown and appropriate water turnouts to provide proper drainage.
- F. Culverts: None