

**SURFACE USE PLAN
Conoco Inc.**

Serrano Federal No. 1

The following is required information concerning the possible effect which the drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items of this plan.

1. Existing Roads

- A. The proposed well site is 660' FSL & 660' FWL, Sec. 11, T-19S, R-25E, Eddy County, New Mexico.
- B. Exhibit "A" is a Vicinity map showing highways and roads in the area and Exhibit "B.1" is a location and topographic map showing existing lease roads. Directions to the location are as follows:

From Highway 285 go 4 miles west on Rockin "R" Red Rd. Turn North and go 1.3 miles. Then turn West 200 yards to location.

- C. No improvement or maintenance is anticipated for the existing roads.

2. Planned Access Roads

- A. 600' of new access road will be required.
- B. No turnout will be required.
- C. No culverts, or fills will be required.
- D. No gates, cattleguards, or fences will be required.

3. Location of Existing Wells

Exhibit "B.2" is a plat showing the proposed and offset well locations.

4. Location of Proposed Facilities if Well is Productive

Since this proposed oil well is located several miles from Conoco's nearest battery, it is anticipated that production facilities will be constructed on the well site.

5. Water Supply

Fresh water will be obtained from a water well in the SE/4 Sec. 18, T19S, R25E and brine water will be trucked in by the same route described for reaching the drilling location.

6. Source of Construction Materials

Caliche will come from a pit located in Unit G, Sec. 18, T-19S, R-25E and will be transported by the same route as described in the above directions to the drilling site.