

MULTI POINT SURFACE USE AND OPERATIONS PLAN

CHI OPERATING, INC

Land Rush "12" Federal Com., Well No. 2
660' FNL & 660' FEL, Sec. 12 -T19S-R30E
Eddy County, New Mexico
Lease No.: NM-0560353
(Development Well)

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, to be followed in rehabilitating the surface environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a BLM Hackberry Lake Topo map showing the location of the proposed well as staked. The well site location is approximately 43 road miles southeast of Artesia, NM or 17.5 road miles south of Loco Hills. Traveling east of Artesia on U.S. Highway 82 and county road No. 222, there will be 40 miles of paved highway, plus 3 miles of existing gravel oilfield roads.
- B. Directions: Travel east from U. S. Highway #285 in Artesia, NM on U. S. Highway 82 for approximately 31 miles, turn south on Eddy County Rd. #222 for approximately 8.5 miles to a cattle guard. Turn west on gravel road just north of the cattle guard and continue west for 2.8 miles to the start of the proposed access road. The proposed access road will start on the west side of the existing access road 600' south of the turn to the south. The proposed access will run west from the oilfield road 500 feet to the southeast corner of the proposed well site.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The proposed access road will be approximately 500 feet in length, 12 feet wide (24' Max.). The proposed and existing roads are color coded on Exhibit "A".
- B. Construction: The new access road will be constructed by grading and topping with compacted caliche. The existing access road will be graded and repaired as required.
- C. Turnouts: None required.
- D. Culverts: None required.
- E. Cuts and Fills: There will be some minor leveling of the surface.
- F. Gates, Cattle guards: None required.
- G. Off Lease ROW: An off lease ROW No. NM-100650 was issued with a previous APD covering the existing access road east to the Eddy County Rd. #222.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two-mile radius are shown on Exhibit "C".