SURFACE USE PLAN

FOR

SIETE OIL AND GAS CORPORATION Williamson Federal #2 1980' FSL & 1980' FEL Sec. 9: T20S, R29E Eddy County, New Mexico

- <u>EXISTING ROADS</u>: Existing roads, which lead to the re-entry location site, are shown on Exhibits "A" & "B".
- 2. <u>PROPOSED NEW ROAD:</u> No new access road will be necessary. If needed, we will upgrade the existing access road.
- 3. <u>LOCATION OF EXISTING WELLS:</u> Existing wells are shown on Exhibit "C".
- 4. <u>LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:</u> Battery will be constructed on location.
- 5. <u>LOCATION AND TYPE OF WATER SUPPLY:</u> Water will be purchased & and hauled to the well site over existing roads. Brine water consisting of 10# wt. will be used in all operations.
- 6. <u>SOURCE OF CONSTRUCTION MATERIALS:</u> Construction material will not be needed.
- 7. METHODS OF HANDLING WASTE DISPOSAL:
 - A. Drill cuttings will be disposed of in the Gila Federal #1 pit.
 - B. Drilling fluids will be disposed of in an approved disposal facility.
 - C. Water produced during tests will be disposed of in an approved disposal facility.
 - D. Oil produced during tests will be produced into temporary tanks.
 - E. There will be no trash pit.
- 8. <u>ANCILLARY FACILITIES:</u> Electricity will be ran North from either the T.O.G. Federal #5 or Northwest from the Gila Federal #1 when needed.
- 9. PLANS FOR RESTORATION OF THE SURFACE:
 - A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Steel pits will be used & all drilling fluids will be hauled to disposal.
 - C. After abandonment, trash and junk will be removed and the location cleaned.