Development plan for surface use to accompany "Applications to Drill Onshore Oil, Gas, or Geothermal Steam Wells on Public Domain and Acquired Federal Lands".

> PENROC OIL CORPORATION No. 1 Wright-Federal 1980' FEL, 660' FSL, Section 6, T20S, R28E Eddy County, New Mexico

1. Existing Roads:

Proposed location is approximately 11 miles North of Carlsbad, New Mexico, and is reached by traveling north on State Highway 239. See attached reproduction from U. S. G. S. Oil City Quadrangle, marked Exhibit "A", for older existing and some non-existant roads. More recent roads and access roads to other well locations are shown on map marked Exhibit "B" in yellow color. The hard surfaced Highway 239 is indicated by the red color.

2. Planned Access Roads:

Refer to Exhibit "B".

The proposed location is 3300 feet east of Highway 239 and is on the north side of the topographic Angel Draw. In order to stay on the high ridge terrain it is proposed to construct a new access road traversing eastward from Highway 239 indicated by the blue color line. Two ranch roads are shown in Section 6. The one crossing the section southwest to northeast is narrow and seldom used and the other in the southwest quarter and trending into Section 7 is in part almost impassable.

3. Location of Existing Wells:

Refer to Exhibit "B".

4. Lateral Roads to Well Location:

See Exhibit "B".

5. Location of Tank Batteries and Flow Lines:

Tank battery on southwest edge of well site pad, separator due west of well, flow lines from wellhead to tanks and pipeline.

6. Location and Type of Water Supply:

All water used in drilling operations will have to be hauled by truck-tanker from the nearest commercial source.

7. Methods for Handling Waste Disposal:

Solid debris will be placed in a separate dug trash pit and then covered upon completion of drilling operations with a minimum of 24 inches of soil.

8. Location of Camps:

None.

- 9. Location of Airstrips: None.
- 10. Location Layout (Rigs, Pits, Pipe Racks, etc.): See Exhibit "C".
- 11. Plans for Restoration of Surface:
- In accordance with regulations. All pits to be filled and levelled. 12. Any Other Information:

Terrain is rolling hills and draws with arrid adapted vegetation such as mesquite and sage. Very little grass.