

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. 2 Wright-Federal
1980' FNL, 1980' FEL,
Section 6, T20S, R28E
Eddy County, New Mexico

1. Existing Roads:

Proposed location is approximately 11.5 miles North of Carlsbad, New Mexico, and can be 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-existent 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 approximately 3300 feet east of Highway 239 and is on the north side of the topographic Angel Draw. In order to minimize damage to grass and land it is planned to utilize a presently existing two-track ranch road which commences about the mid-point of the west line of the southwest quarter of Section 6 and traverses generally northeastward to within fifty yards of the No. 2 Wright-Federal. That part of the road indicated by the blue color will be widened, reconstructed and caliche according to normal oil field practice. It is currently in bad shape and this plan will aid the rancher using the land for grazing purposes.

3. Location of Existing Wells:

Refer to Exhibit "B".

4. Lateral Roads to Well Location:

See Exhibit "B".