

YATES PETROLEUM CORPORATION - STEBBINS "GO" FEDERAL NO. 1 COM  
660' FNL & 1980' FEL, Section 20-20S-29E, Eddy County, New Mexico

Surface Use Plan to accompany "Applications to Drill, Federal Lease".

1. EXISTING ROADS: See Plat (Exhibit A) From Artesia, go 9 miles East on U.S.82, 4 miles Southeast to Illinois Camp road, 12.8 miles South to Angel Ranch road, then East & South on Caliche Road for 3 miles, then East for 6 miles to Access Road. County maintained road.

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2. PLANNED ACCESS ROADS: See Plat (Exhibit A & B) Approximately 600 feet long by 16 feet wide; bladed, caliched & watered. Drains gradual to east. No turnouts, no cuts or fills, no fence-cuts, no cattleguards or culverts needed. Center-line flagged.

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3. LOCATION OF EXISTING WELLS: See Plat (Exhibit A) Several producing Morrow gas wells offsetting this location, also one shut-in Morrow gas well and one shut-in Wolfcamp gas well. There is a windmill  $\frac{1}{2}$  mile NE & a water well with submergible pump about  $1\frac{1}{2}$  miles SW of this location. There are two large caliche pits open off existing road within  $\frac{1}{2}$  mile West of location.

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4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) Tanks & separation facilities in Southwest part of pad.

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5. LOCATION AND TYPE OF WATER SUPPLY: Water to be piped from water well in SE NE of Section 30-20S-29E.

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6. SOURCE OF CONSTRUCTION MATERIAL: Construction work to be done by Sweatt Construction Company, Artesia, NM. Caliche for surfacing the road and pad will be obtained from existing caliche pit on north side of existing road in SE SW Section 17-20S-29E.

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7. METHODS FOR HANDLINE WASTE DISPOSAL: See Sketch (Exhibit C) Steel pits for mixing mud, reserve pits for drilling mud & cuttings, burn pit for trash & garbage, jet sump for engine oil & cellar mud, barrels for garbage, small sump for portable commode. Wellsite will be leveled & cleaned up after rig is moved out.

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8. ANCILLARY FACILITIES: None applicable.

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9. WELL SITE LAYOUT: (rig, tanks, pits, racks, etc.) See Sketch (Exhibit C) Approximately 1 foot of cut on West side and 1 foot of fill on East side for pad. Reserve pit to be plastic-lined.

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10. PLANS FOR RESTORATION OF SURFACE: After completion, all equipment and other material not needed for operations will be removed. Pits will be fenced until dry, then leveled. Junk & trash will be buried with 3 foot of cover or removed to an approved disposal. After abandonment, location will be restored to as near original as possible or will comply with BLM rehabilitation requirements.