YATES PETROLEUM CORPORATION - HUBER IA FEDERAL NO. 1 2310' FNL & 1980' FEL, Section 15-215-21E, Eddy County, New Mexico

- EXISTING ROADS: See Plat (Exhibits A & B) Approximately 19.2 miles south of Artesia on U.S. 285, turn west on Marathon Plant road, continue SW for 12.7 miles to intersection, then turn west and continue for 7.95 miles to end of black-top, (wrecked car at dirt road exit), then 7.85 miles to fork in road, take left fork for 2.2 miles to flagging on west side of road.
- PLANNED ACCESS ROADS: See Plat (Exhibits A & B) Approximately 0.4 mile of new road, 12' wide, with 1 or 2 turnouts. Access road is flagged.
- 3. LOCATION OF EXISTING WELLS: See Plat (Exhibit B) There are 4 gas wells in area, in sections 11 and 13-T21S-R21E, and in Section 7-21S-22E.
- 4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) The tank battery will be built in the SW corner of the pad.
- 5. LOCATION AND TYPE OF WATER SUPPLY: See Plat (Exhibit B) Drilling water will be trucked from any avaiable commercial source and will be trucked via existing roads.
- 6. SOURCE OF CONSTRUCTION MATERIAL: See Plat (Exhibit B) Caliche source will be from cuts in location and access road, but may be supplemented from an open pit in 24-215-21E.
- 7. METHODS FOR HANDLING WASTE DISPOSAL: See Plat (Exhibit C) Well cuttings will be disposed of in the reserve pits; mud sacks, paper & garbage will be burned; garbage will be accumulated in trash barrels and disposed of by burning or buired three feet in the burn pit. If productive, produced water will be collected in a tank and hauled away.
- 8. ANCILLARY FACILITIES: None.
- 9. WELL SITE LAYOUT: (rig, tanks, pits, racks, etc.) See Sketch (Exhibit C) Exhibit C shows position of drill pad, rig, reserve pits, burn pit, mud pits, jet sump, pipe racks, pumps, water tanks. Pad size 220' X 270', cut and fill 10' cut on SW corner, 10' fill in NE corner. Reserve Pit 30' X 110', plastic-lined. Pad is flagged with red tape, pit area is flagged with blue tape.
- 10. PLANS FOR RESTORATION OF SURFACE: If well is productive, pits will be fenced until dry, then backfilled and levelled as soon as practical. Location will be cleaned, all excess material removed from location. Upon abandonment, location will be cleaned and levelled or restored in compliance with BLM stipulations.
- 11. OTHER INFORMATION: (a) Terrain is sloping hillside w/NE dip.
 - (b) Soil is thin, wind-blown sand.
 - (c) Vegetation consists of mescale, yucca, cactus, greasewood & interspersed range grass.
 - (d) There are no ponds or streams within miles of the location. The nearest windmill or water well is located approximately 1-3/4 miles NE.
 - (e) Surface use is grazing & hunting.
 - (f) The effect on the environment will be minimal; drillsite is in semiarid desert country; wind-blown and natural reseeding.
 - (g) Surface ownership is BLM w/grazing allotment to Armstrong & Armstrong, Roswell, NM.
- 12. LESSEE'S OR OPERATOR'S REPRESENTATIVES: Eddie Mahfood or James Jonas, 207 South Fourth Street, Artesia, NM. Phone: 746-3558.
- 13. CERTIFICATION:

RECEIVED NUN II I Hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

U.S. GEULUGICAL SURVEY ARTESIA, NEW MEXICO may 31,1977

e Malifiart, Engineer Addie Name and Title