

SURFACE USE PLAN

Ray Westall
Meridian Federal #1

The following is the required information concerning the possible effect which the proposed drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items of this plan.

1. EXISTING ROADS

A. Exhibit "A" is a portion of a New Mexico road map showing existing roads. Directions to the location are as follows: From Carlsbad travel $9\frac{1}{2}$ miles east on U.S. 62/180. Turn north and travel $7\frac{1}{4}$ miles then turn west $\frac{1}{4}$ mile.

2. ACCESS ROADS TO BE BONSTRUCTED

No new road will be required

3. LOCATION OF EXISTING WELLS

See exhibit "C"

4. LOCATION OF PROPOSED FACILITIES IS WELL IS PRODUCTIVE

production facilities will be located on drill pad.

5. WATER SUPPLY

Water will be trucked in.

6. SOURCE OF CONSTRUCTION MATERIALS

Caliche from pit located NENE, Sec 3-20S-29E

7. METHODS OF HANDLING WASTE DISPOSAL

Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. Any produced water will be collected and hauled to an approved disposal system.

8. ANCILLARY FACILITIES

None

9. PLANS FOR RESTORATION OF SURFACE

Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment.

10. WELLSITE LAYOUT

See Exhibit "D"

11. SURFACE OWNERSHIP

Federal