

TXO PRODUCTION CORP.  
SURFACE USE PLACE

DATE: July 31, 1990  
WELL: Yates Federal #10  
LOCATION: 2450' FSL & 100' FEL  
Section 18, T-20-S, R-29-E  
Eddy County, New Mexico

1. EXISTING ROADS:

- A. Proposed well has been staked 2450' FSL and 100' FEL of Section 18, T-20-S, R-29-E.
- B. Route and distance from nearest town or locatable reference point to where well road leaves main road: From Carlsbad, New Mexico proceed from intersection of US 285 and US 180 & 62 NE on US 180 & 62 for 8.1 miles. Turn left onto County Road 243 and proceed E for .9 miles. Turn left onto lease road and proceed N for .5 miles to well site. All roads used for access under the jurisdiction of the SMA shall be maintained in accordance with SMA standards.
- C. Access route to location is color coded: Refer to Exhibit 2 & 2A.

2. ACCESS ROAD TO BE CONSTRUCTED AND RECONSTRUCTED:

An access road will be built from the existing road at a point approximately 800' South of the #4 location and proceed approximately 500' East to location.

3. LOCATION OF EXISITING WELLS:

Exhibit 3 is a 1-mile raduis locating water, injection, disposal, producing, and drilling from the proposed location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES IF WELL IS PRODUCTIVE:

- A. Exhhibit 4 is drawing depicting all on well pad production facilities.
- B. Exhibit 5 is a drawing depicting remote off well pad production facilities and pipelines.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water for drilling mud make-up will be trucked to the location along the existing access road used for access to the proposed location.

6. CONSTRUCTION MATERIALS:

- A. The proposed location is on level ground so no additional materials for fill will be necessary. Top soil will be stocked piled for later use during rehabilitation of the disturbed areas.