

SURFACE USE PLAN

HARVEY E. YATES COMPANY
Cabin Lake 34 Federal #1
Sec. 34, T21S, R30E
Eddy County, New Mexico

1. EXISTING ROADS:

Exhibit A is a portion of a New Mexico Map showing the location of the proposed location. The location is approximately 23 miles east of Carlsbad, New Mexico. Leave Carlsbad going east on 62/180. Turn south on SR 31. Travel 7 miles and turn east at mile marker 15 onto Eddy 796. Just past the Smith ranch house and across a cattle guard, continue left onto an access road (you will see a stop sign at the intersection). At the dead end turn left. Past the Phillip's wells to a dry hole. Continue on to the new location.

2. PLANNED ACCESS ROADS:

We plan to use the existing roads as far as possible. We propose to build approximately 600' of new road to reach the proposed location. The running surface will be 14' wide, with 6" compacted caliche

3. LOCATION OF EXISTING WELLS:

Exhibit B is a plat showing existing wells and their locations.

4. LOCATIONS OF TANK BATTERIES, ETC.:

In the event we drill a producing well all production equipment will be located at Unit P, Sec. 34, T21S, R30E.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be from commercial sources, either hauled or pipelined.