

MULTI-POINT SURFACE USE AND OPERATING PLAN

MEWBOURNE OIL COMPANY

SHEEP DRAW FEDERAL WELL NO. 1

2310' FEL & 660' FNL OF SEC. 33-T22S-R26E

EDDY COUNTY, NEW MEXICO

NEW MEXICO LEASE NO. 34247

This plan is submitted with the Application for Permit to Drill (APD) the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan and the magnitude of necessary surface disturbance involved, so that a complete appraisal can be made of the enviromental effects associated with the operation. The surface to be disturbed is privately owned and a surface use agreement has been signed with the land owner.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of an Eddy County, New Mexico road map showing the location of the proposed well as staked. From the junction of U.S. Highway 62-180 and Canal Street in Carlsbad, New Mexico, proceed south on Canal Street which is U.S. Highway 62-180 for 3.5 miles. Turn right on Hildago Street which becomes Eddy County road #672 and proceed southwest for 4 miles. Turn right and proceed on lease road for 1/8 mile into location.
- B. Culverts: None required.
- C. Cuts and Fills: A three foot cut will be required for construction of the location.
- D. Turn-Outs: One required.
- E. Gates and Cattleguards: None required.

2. LOCATION OF EXISTING WELLS:

- A. Existing wells in a 1 mile radius are shown on Exhibit "B".

3. LOCATION OF PROPOSED FACILITIES:

- A. If the well is productive, all production facilities will be constructed on the existing pad and no additional surface disturbance will occur.