Page 2 - Surface use and operations plan Collins & Ware, Sheep Draw Fed. # 7

1. EXISTING ROADS:

A. Exhibit #2 is a portion of a map showing the location of the proposed well as staked.

B. Exhibit #2A is a topo map showing existing pertinent roads in the vicinity of the proposed well site.

2. PLANNED ACCESS ROAD:

A. Length and Width: The lease road to be constructed will be about 700' +- long and about 12' wide.

B. Surfacing Material: Caliche, watered, compacted and graded.

C. Maximum Grade: Less than one per cent (1%).

D. Turnouts: None necessary.

E. Drainage Design: Any new road will be crowned with drainage to the side.

F. Culverts: None needed.

G. Gates and Cattlequards: None will be necessary.

H. Cuts and Fills: Very little necessary.

I. Existing access roads to the proposed wellsite will be used in their present state. Off-lease access approval will be executed under the Happy Val. Fed1B location.

3. LOCATION OF EXISTING WELLS:

A. Existing wells within a one-mile radius are shown on Exhibit #3. There are no disposal, injection, and/or observation wells.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. Necessary production facilities for this proposed well will be located on the well pad. A layout of the production facilities is shown in Exhibit #5.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not planned that a water supply well will be drilled. Water necessary for drilling operations will be purchased and trucked from commercial water stations to the well site, or will be moved to the well site by temporary pipeline laid on the ground along-side existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche needed for construction work will be taken from commercial sources located in the area.