

Thirteen Point Surface Use Plan
MARATHON OIL COMPANY

INDIAN HILLS UNIT #24
Sec. 28, T-21-S, R-24-E
Eddy County, New Mexico

1. Existing Roads: Refer to Vicinity Lease Map.

- a. The proposed wellsite is staked and the surveyor's plat is attached.
- b. To reach the location from Carlsbad, New Mexico: Follow Hwy. 285 North of Carlsbad 11 miles. Turn left on (NM)137. Go 6 miles west. Turn Right on Marathon Road. Follow 1.5 miles to access road on north side of county road, turn north follow lease road into location.
- c. Existing roads within a one-mile radius (refer to Vicinity Lease Map).
- d. The existing road will be maintained as necessary to provide access during the drilling operation.

2. Planned Access Road: Refer to Vicinity Lease Map.

No new access road will be required. Using existing road into our Indian Hills Unit # 17. Construction plans will require blading and rolling the road and pad. The access road enters the drilling pad on the Southwest corner. The drilling location will have a V-door facing west.

3. Location of Existing Wells: See Vicinity Lease Map.

4. Location of Existing and Proposed Production Facilities within a one-mile radius:

- a. Existing: There are seven oil and gas wells operated by Marathon and Santa Fe within a one-mile radius of the proposed location. These locations have production facilities including separators, condensate, oil, water storage tanks. Marathon and Santa Fe operate a variety of dehydrators, meter runs, and several gathering lines in the one-mile radius.
- b. New Facilities: No new facilities are proposed at this time. We will utilize existing flowlines.
- c. Rehabilitation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended.

5. Location and Type of Water Supply:

- a. Source: Indian Basin Gas Plant, NE/4 Sec. 23, T-21-S, R-23-E.
- b. The water will be transported by a trucking contractor. No new construction will be required on/along the water route.
- c. No water well will be drilled on this location.

6. Source of Construction Materials: