

## MULTI-POINT SURFACE USE AND OPERATIONS PLAN

OXY USA Inc.  
OXY Penny Loafer Federal #1  
Eddy County, New Mexico  
Lease No. NM91500

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal may be made of the environmental effects associated with the operation.

The well, and work area have been staked by a registered New Mexico land surveyor. Geo-Marine Inc. has been engaged to make an archaeological reconnaissance of the work area. Their findings concerning cultural resources has been reported to the Bureau of Land Management.

### 1. Existing Roads

A copy of a USGS "Red Lake, SE New Mexico" quadrangle map is attached showing the proposed location. The well location is spotted on this map, which also shows the existing road system. Exhibit B.

Directions to location: Go north from Carlsbad on SH285 to SH137. Turn west on SH 137, go 9.1 miles to CR401, turn right and go approximately 12 miles to lease road. Turn north and follow lease road approximately 1.5 miles to old dry hole location, turn right and go approximately 1.5 miles and you will see a stake, follow flags and stake on your left to location about .4 miles

### 2. Planned Access Road

- A. A new access road will built. The access road will run approximately 2740' northeast. Exhibit B.
- B. Surfacing material: Six inches of caliche and water, compacted and graded.
- C. Maximum Grade: Less than 3%
- D. Turnouts: None needed.
- E. Drainage Design: N/A.
- F. Culverts: None needed.
- G. Cuts and Fills: Leveling the location will require minimal cuts or fills.
- H. Gates or Cattleguards: None required.

### 3. Existing wells within a one mile radius of the proposed development well are shown on Exhibit C.

### 4. Location of Existing and/or Proposed Facilities

- A. If the well is productive, production facilities will be constructed on the well pad. The facility will consist of a stack pack, one 300 bbl oil tank and one 300 bbl fiberglass water tank. All permanent above ground facilities will be painted in accordance with the BLM's painting guidelines simulating the color of sandstone brown.