

SURFACE USE AND OPERATING PLAN

Elizondo "A" No. 2
1965' FNL & 1995' FWL
Sec 28, T21S, R27E
Eddy County, New Mexico

1. Existing Roads:

- A. The well site and elevation plat for the proposed well is shown Exhibit B. It was staked by Basin Survey's, Hobbs, New Mexico.
- B. All roads to the location are shown in Exhibit D. The existing roads are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling will be done where necessary as determined during the onsite inspection.
- C. From Carlsbad proceed East on Hobbs highway 62/180 to the North Loop WIPP relief route. Exit Left North onto the WIPP relief route. Proceed North to half way between mile marker 7 & 8. Exit Left West 1 mile on caliche road to location.
- D. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. Proposed Access Road:

- A. The average grade will be less than 1%.
- B. No turnouts are planned.
- C. No culverts, cattle guard, gates, low-water crossings, or fence cuts are necessary.
- D. Surfacing material will consist of native caliche. Caliche will be obtained from the nearest BLM approved caliche pit. Any additional materials that are required will be purchased from the dirt contractor.
- E. The access road as show in Exhibit D is existing and will not require any additional modifications.