Monsanto

Monsanto Company 317 First Savings & Loan Building 101 North Marienfeld Midland, Texas 79701 Phone: (915) 683-3306 January 4, 1974

United States Geological Survey Drawer U Artesia, New Mexico 88210

Attn: Mr. James Knauf

RE: Avalon Hills No. 1 Sec. 7, T-21S, R-27E Eddy County, New Mexico

Gentlemen:

Monsanto Company respectfully submits the following Development Plan for drilling the above captioned well.

Development Plans include the following:

- 1. Existing roads: See attachment
- 2. Planned access roads: See attachment
- 3. Location of Well: 660' FSL & 1980' FWL Sec. 7, T-21S, R-27E
- 4. Lateral Road: See attachment
- 5. Location of Tank Battery: If the well is gas productive, a heater and three phase separator will be installed on the Southwest corner of the pad with two 200 Bbl. collection tanks for water and condensate respectively. Location of pipelines is shown on the attached plat.
- Location and type of water supply: Water will be purchased as near as possible and trucked to location.
- 7. Method of waste water disposal: Mud pits as shown on attachment. Waste water will be trucked to appropriate disposal facilities.