MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation
Chaparral Federal #1
2310' FNL and 660' FEL
Section 17 - T24S - R24E

This plan is submitted with Form 9-331C, Application for Reentry, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operation.

1. EXISTING ROADS.

Exhibit A is a portion of a USGS topographic map showing the wells and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 50 miles south of Artesia, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed from Artesia for 24.2 miles on U.S. 285 to Sitting Bull Falls Road, then west on Highway 137 for 9.3 miles to a fork in the road.

2. Continue on left fork to road marker 29 for an additional 11.5 miles.

3. Turn left off paved road onto county road and proceed southeast approximately 6 miles to Dark Canyon Road with "C & K Production" sign. Turn south and continue for approximatley 6 miles to a fence and gate. Continue west for 1/4 mile, then road turns north for 1/2 mile to location.

2. PLANNED ACCESS ROAD.

A. There is no new access road. The existing road will be watered and bladed.

3. LOCATION OF EXISTING WELLS.

A. There are two wells within a one-mile radius of the wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

A. There are no production facilities on this lease at the present time.

B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.