

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
PALOMA RESOURCES, INC.
Aspen Fed. #1
1980' FNL & 660' FWL of
Section 4-T24S-R26E
Eddy County, New Mexico

This plan is submitted with Form 3160-5, Sundry Notices and Reports on Wells, 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 affect associated with the operations.

1. EXISTING ROADS

Exhibit A is a portion of county map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 8 miles southwest of Carlsbad, New Mexico and the access route to the location is indicated in Orange.

DIRECTIONS:

1. From Carlsbad, NM Go west/southwest on US Hwy 62/180 toward White City for approx. 8 miles. Turn right through the gate in the fence and follow north for 1/4 mile to the location.

2. PLANNED ACCESS ROADS

A. The proposed access will be approximately .25 mile in length and is currently in existence from the Highway to the old existing caliche pad location.

B. The old road is 12 feet in width. (driving surface).

C. The old road is covered with the necessary depth of caliche or other suitable material. The surface will be crowned, with drainage on one side.

D. The route of the road is readily visible.

3. LOCATION OF EXISTING WELL

A. There is no current drilling activity within a one mile radius of wellsite proposed.