RECEIVED MAR 30 1977 U.S. GEOLOGICAL ADTECIA 2NEW MEXICO (Development Well)

1. EXISTING ROADS - Detailed map showing drillsite location in relation to a town or known point and all existing roads within one mile of the wellsite are shown on Exhibit "A".

From Jal go west 49 miles on Highway 128 and turn south and west on caliche road and go ten miles to Exxon's Laguna Grande Unit (Federal), Well No. 1, producing well, as shown on Exhibit "A".

- 2. PLANNED ROADS Refer to Exhibit "A" for proposed road. We plan to construct approximately 3,000' of new 12' wide road, beginning at a point north of Well No. 1 and easterly to the location, and surface with caliche. No culverts or special drainage features are necessary in this area. Low water crossing will be utilized with low places to be caliched. New road is colored red on Exhibit "A". The center line of the proposed new access road will be staked with flagging being visible from any one stake to the next.
- 3. LOCATION OF EXISTING WELLS There is only one producing well within a one mile radius of the proposed location which is Exxon's #1 Laguna Grande Unit (Federal) as shown on Exhibits "A" and "B".
- TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES The only existing 4. production facilities are composed of a water tank, separator and heater and are installed 150' east of Exxon's Laguna Grande Unit (Federal), Well No. 1, as shown on Exhibit "B". A buried gas transmission line takes the gas from Well No. 1 and is shown on Exhibit "B" extending southerly from Well No. 1. The pipeline gas measuring facilities are located on the south side of the caliche pad for Well No. 1. In the event that production is obtained in Well No. 2, a combination separator, heater and water tank will be installed 150' south of Well No. 2 on the south 60' of the caliche pad. The combination heater separator will be located 150' from the water tank and both facilities will be 150' from the wellhead.

In the event of production the gas purchaser will obtain right-of-way for the gathering lines and gas measurement facilities.

WATER SUPPLY - Negotiations are underway with Mr. Frank Briones of Carlsbad, 5. New Mexico to purchase water from a water well adjacent to a Texaco producing well located in the SE/4 of Section 24, T-23-S, R-29-E. A water line will be laid from this water well along the existing access road to a point in the east boundary of Section 27 thence southwesterly across Section 27 to the location as shown on Exhibit "A". This water line will be laid on top of the ground. Additional water, if needed, will be hauled from the nearest commercial source over the existing access road.