Federal AD Com. #1 AMOCO PRODUCTION COMPANY

Proposed Development Plan for Surface Use 1650' FWL & 1980' FNL, Sec. 3, T-23-S, R-28-E0 30 1003 Eddy County, New Mexico

U.S. GEOLOGICAL SURVEY

1. Existing roads including location of exit from main highway. ARTESIA, NEW MEXICO

Detailed map showing drillsite location in relation to the nearest town and all existing roads within one mile of the wellsite are shown on Exhibit A. Go 2.0 miles east of Carlsbad on US 62-180. Turn right on Refinery road and go 8.9 miles. Turn right & 90.7 miles. Turn left and go 1.1 miles to location.

2. Planned access roads.

6000' of access road will be built leading into location.

3. Location of existing wells.

All existing well within one mile radius are shown on Exhibit C.

4. Location of tank batteries and flow lines

If the well is commercially productive, the production facilities (i.e. tanks. seperators, & treaters) will be located on existing pad.

5. Location and type of water supply.

Fresh & brine water to be hauled by commercial hauler.

6. Source of construction materials.

Caliche will be obtained from a pit located in the SE/4, SW/4, Sec. 20, T-22-S, R-28-E, Eddy County.

7. WASTE DISPOSAL

a. Drill cuttings will be disposed of in the reserve pit.

b. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.