1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a highway map showing southeast New Mexico. The proposed well is approximately 4 miles north-northeast of Loving, New Mexico. A red circle drawn near Loving encompasses the proposed site.
- B. Exhibit "B" shows existing pertinent roads in the vicinity of the proposed well site. To go to the site, go south from Carlsbad, New Mexico on U.S. 285. Near Loving, turn left on S.H. 31. Go east on S.H. 31 5.3 miles, turn left on County blacktop road (Refinery Rd.). Go northwest 2.4 miles on blacktop road, turn left onto lease road. Continue southwest on dirt road 0.2 mile, turn right. Go west 0.3 mile to location. Location is just west 0.3 mile from BCR Fed. Well No. 1 and its battery. The surface location of the proposed well is on Federal land, Sec. 3, T-23-S, R-28-E.

2. PLANNED ACCESS ROAD:

A. For the most part, an existing caliche road will be used for access to the proposed site. The maintained caliche road starts at the county blacktop (Refinery Road) and runs southwest to the BCR Fed. Well No. 1 and associated tank battery. About 100 yards before entering the compound of Well No. 1, an access road will be built extending to the west, crossing an arroyo and ending at the proposed wellsite. Caliche will be utilized to build-up the dirt road to provide adequate drainage. A culvert will be installed to facilitate crossing of the arroyo. All travel into the well site will occur on dirt roads situated on Federal lands. See Exhibits B, C, and D.

3. LOCATION OF EXISTING WELLS:

A. Existing wells in the immediate area are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. Necessary production facilities for this well will be located on the compound of Well No. 1, Unit A, Section 3. Storage tanks, currently in place, are isolated with an earthen firewall to prevent any loss of liquids off the pad of Well No. 1. Should the proposed Well No. 2 be productive, a 2.5" pipeline will be laid from No. 2 to the No. 1 battery. It will be laid and buried down the centerline of the access road between the two wells. No production facilities, barring a pumping unit, will exist on the proposed wellsite.