

1. EXISTING ROADS

See attached Corral Draw area plat and vicinity plat.

It is proposed to water and blade the existing road from the Pecos River crossing to the Corral Draw Unit Well No. 1 and patch several washed areas with caliche (approx. 150 C. Y. of material).

2. PLANNED ACCESS ROAD

See attached Corral Draw vicinity plat.

The planned access road will be 2930 feet long with a cleared width of 30 feet and a 12 foot wide caliche surface. It is proposed that one 10 foot wide by 100 foot long turnout will be constructed about the mid point of the new road construction. The maximum grade will be approximately 4%. The terrain crossed by this road is sandy loam with a general 2% slope from the existing road toward the location for the first 2000 feet and a 1% slope the rest of the way to the location. The planned access road right-of-way is vegetated with scrub mesquite, cat claw, scattered small weeds and sparse grass. It is planned to clear right-of-way and lay caliche for the road without drainage ditches or culverts.

3. LOCATION OF EXISTING WELLS

See attached Corral Draw vicinity plat.

4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION GATHERING AND SERVICE LINES

All existing production facilities are located on the well pads at Corral Draw Unit Wells No. 1 and 2. Since the Latham Federal No. 1 is a core test well no production facilities will be required.

5. LOCATION AND TYPE OF WATER SUPPLY

Water will be hauled to the site for drilling purposes and will be hauled over the existing roads.

6. SOURCE OF CONSTRUCTION MATERIALS

It is proposed to construct the access road and well pad out of caliche. There is an existing caliche pit located in the NW/4 of the NW/4 of Section 23, T25S, R29E. This pit is adjacent to the existing lease road to Corral Unit Well No. 1 as shown on attached Corral Draw vicinity plat.