

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

MCKAY OIL CORPORATION
CACTUS "B" Fed. #4
SE/4SE/4 of Sec. 34, T-6S, R-22E
Chaves County, New Mexico

NM 91498

This plan is submitted with the application for permit to drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS:

A. Exhibit "A" is a portion of a road map showing the location of the proposed well is staked. The well is approximately 21 miles north of Roswell, NM.

B. Directions: Heading North out of Roswell, New Mexico on U.S. 285 for approximately 23 miles and turn left on county road just before mile marker 137 (Stargrass Road). Go approximately 8.5 miles, then turn south for approximately 2-1/2 miles to the cattleguard, turn south for approximately 100 feet, then turn east for approximately 1/2 mile along the China Draw, then south for 3/4 miles, then turn west for approximately 1/2 mile, then southwest approximately 1/4 mile turn to location.

2. PLANNED ACCESS ROAD:

A. Length and Width: 2 miles long and 20' wide.

B. Surface Materials: Sand, gravel and caliche where needed.

C. Turnouts: None

D. Maximum Grade: No more than 3%.

E. Drain Design: Road will have drainage ditches on both sides and a crowned top, with culverts and/or low water crossings as necessary.

F. Culverts: None.

G. Cuts and Fill: None.