

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
YATES PETROLEUM CORPORATION
Everette "OO" Federal #8
1980' FSL and 660' FEL
Section 26-T5S-R24E
Chaves County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 42 miles northeast of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go north of Roswell on Highway 285 for approx. 26 miles to Dona Anna Road. Turn east and go approx. 10 miles to Mapco pipeline road. Turn SE down pipeline road for approx. 1.1 miles and turn left and go to the GYP location. Continue on to the Everette "OO" Fed. #2 location. The new road will start near the SW corner of the pad and go north to the SW corner of the #8 pad.

2. PLANNED ACCESS ROAD:

- A. The proposed new access will be approximately 1300' in length from the point of origin to the southwest corner of the pad. The road will lie in a northerly direction.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. One cattle guard will be needed in a east-west fence. The fence will be properly braced and tied off before cutting the fence.
- D. Existing roads will be maintained in the same or better condition as they are now.

3. LOCATION OF EXISTING WELL:

- A. There is drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.