Marathon Oil Company

LEA LAKE FEDERAL #1 660' FNL & 990' FWL Section 12, T-12-S, R-26-E Chaves County, New Mexico Lease: NM-39538

This plan is submitted with the Application for Permit to Drill 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 necessary surface disturbance involved, and the procedure to be followed in rehabilitating the surface after the completion of all operations so that a complete appraisal can be made of the environmental effects associated with the proposed operations.

1. Existing Roads

Exhibit "A" is a portion of a topographic map showing the location of the proposed well as staked. At the intersection of 560 and 490 in Dexter, go north on Hwy 409 9 miles and turn right through a cattleguard. An alternate route would be to proceed south on 409 from Hwy 380 approximately 9 miles, then turn left or east onto the proposed access road through a cattleguard. All existing roads used to access the proposed location shall be maintained in the same or better condition than presently found.

2. Planned Access Roads

A. Length and Width

The planned access road will begin at the fence line in the S.W. corner of Section 11 and proceed east approximately 5,950 feet along the fence line of Sections 11 and 12. The access road will then turn north and follow an existing seismic trail for approximately 4600', then east approximately 150' into the proposed location. The access road will be 14 feet in width.

B. Surfacing Material

None required.

C. Maximum Grade

Three Percent (3%)

D. Turnouts

As Required

E. Drainage Design

Natural drainage.

F. Culverts

As required.

G. Cuts and Fills

None required.

H. Gates, Cattlegaurds and Fences

A cattleguard with a locking swing bar and an adjacent gate will be installed at the entrance to the property at the southwest corner of Section 11. The entire location will be fenced at the request of the landowner prior to the commencement of drilling operations.

3. Location of Existing Wells

Exhibit "B" is a map showing the location of all the wells within a one mile radius of the proposed well.

