

Eland Energy, Inc.
Federal 1 X #3
695' FSL & 745' FWL
Sec. 3, T. 9 S., R. 26 E.
Chaves County, New Mexico

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Surface Use Plan

1. DIRECTIONS & EXISTING ROADS (See Pages 10 & 11)

From the junction of US 285 and US 70 north of Roswell ...
Go East 13.8 miles to an old stone school at the equivalent of Milepost 351.4
Turn right and go South 2.0 miles on the Magdalena Road
Then turn left and go East 1.6 miles to a gas well
Then turn right and go South 1.1 miles to the proposed well site

Roads will be maintained to a standard at least equal to their present condition.

2. ROAD TO BE BUILT OR UPGRADED (See Page 12)

A 500' long temporary detour will be built around the east side of the well since the existing road will be blocked during drilling. The road will start $\approx 75'$ north of the pad and run $\approx 25'$ east of the east side of the pad. It will end at the existing "T" junction south of the pad. Maximum disturbed width = 20'. Maximum grade = 2%. No culvert, cattleguard, or turn out is needed. The detour is flagged in orange. The existing road needs no upgrading.

3. EXISTING WELLS (See Page 11)

There are nine gas wells and two water wells within a mile radius according to NM Oil Conservation Division records in Santa Fe reviewed on October 10, 2001. There are no oil, disposal, or injection wells within a mile.