

MULTI-POINT SURFACE USE AND OPERATIONS PLAN  
Yates Petroleum Corporation  
Gazelle "AHG" Federal #2  
Surface Location: 1000' FSL & 5' FEL, Section 16-T20S-R29E  
Target Zone: 775' FNL & 2095' FEL, Section 22-T20S-R29E  
Eddy 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 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 BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 15 miles Northeast of Carlsbad, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Take Highway 62/180 going east from Carlsbad for 13 1/2 miles. Turn north on County Road 238 and go north for approximately 2 miles. Stay on 238 turning west approximately 1.75 miles to lease road. Go north .25 of a mile. The new access will start here and go west approximately 1600'.

\*NOTE: Yates is applying for a 30' (maximum disturbance) road right-of-way across S $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 15-T20S-R29E. We could amend existing Right-of-Way NM - 82479 to include this portion and also the 400 X 400 for the well pad.

2. PLANNED ACCESS ROAD

- A. The proposed new access will be approximately 1600' in length from point of origin to the southeast edge of the drilling pad. The road will lie in a westerly 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. The new road will be bladed with drainage on both sides. One traffic turnouts will be built.
- D. The route of the road is visible.

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 no production facilities on this lease at the present time.