

MULTI-POINT SURFACE USE & OPERATIONS PLAN

TEXLAND PETROLEUM - HOBBS, L.L.C
BOWERS A FEDERAL #31
LEA COUNTY, NEW MEXICO
LEASE NO. LC-302233A

30-025-23176

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify 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 may be made of the environmental affects associated with the operation.

A registered New Mexico land surveyor has staked the well and work area. Archeological Survey Consultants has been engaged to make an archaeological reconnaissance of the work area. Their findings concerning cultural resources will be reported to the Bureau of Land Management.

1. Existing Roads

A copy of a satellite map of the area is attached showing the proposed location. The well location is spotted on this map, which also shows the existing road system and proposed entrance road. See Exhibit "B".

Directions to location: From Hobbs, New Mexico proceeds north from intersection of West Truck Route & Sanger for 1/2 mile. Turn west on CR and proceed 1/8 mile. Turn north on lease road. Proceed to location.

2. Planned Access Road

- A. No access road will be built.
- B. Surfacing material: Caliche
- C. Maximum Grade: no grade
- D. Turnouts: None
- E. Drainage Design: Edges of caliche location sloped
- F. Culverts: None
- G. Cuts and Fills: none
- H. Gates or cattle guards: No

3. Existing wells within a one mile radius of the proposed development well are shown on Exhibit "D".

4. Location of Existing and /or Proposed Facilities

- A. If the well is successfully re-entered, it will be tied into the existing injection facilities. All permanent above ground facilities will be painted in accordance with BLM's painting guidelines simulating the color of sandstone brown.

5. Location and Type of Water Supply

Fresh water and brine water will be used to drill this well. It will be purchased from a supply in Hobbs and transported to the well site.

6. Source of Construction Materials

Caliche for surfacing the well pad is not needed, this is an existing well pad.

7. Method of Handling Waste Disposal

- A. There will be no cuttings, re-entering an existing well bore.
- B. No drilling fluids will be used.
- C. No testing will be done.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be collected in steel trash bins and removed after drilling and completion operations are completed. All waste material will be contained to prevent scattering by the wind.
- F. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities

- A. None needed.

9. Wellsite Layout

- A. We will be using a pulling unit to re-enter this well. See **Exhibit "F"** for unit layout.
- B. No leveling of the wellsite will be required.
- C. The workover pit will be plastic lined.
- D. While constructing the pits and material is encountered at a depth which would not allow the pits to meet the BLM stipulations with out blasting, Texland requests a variance. There will be an adequate amount of material to reclaim the stipulations.
- E. The pad and pit area have been staked and flagged.

10. Plans for Restoration of the Surface

- A. After completion of drilling and/or completion operations, all equipment and other materials, not needed for operations, will be removed.
- B. Pits will be filled and location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible. Any plastic material used to line the pits or sumps will be cut off below ground level as far as possible and disposed of before the pits are covered. All unattended pits containing liquid will be fenced and the liquid portion allowed to evaporate before the pits are broken and backfilled.
- C. After abandonment of the well, surface restoration will be in accordance with the land owner. This will be accomplished as expeditiously as possible. Barring unforeseen problems, all pits will be filled and leveled within 90 days after abandonment.

11. Surface Ownership

The wellsite is on privately owned surface. The surface is owned by:
Occidental Permian, Attn: Steve Flynn, P.O. Box 4294, Houston, Texas 77210
A surface agreement with the surface owner has already been made, attached with the approved original APD.

12. Other Information

- A. Topography: The location is flat plain. GL elevation is 3644'.
- B. Soil: Sandy clay loams
- C. Flora and Fauna: The vegetative cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grasses. Wildlife in the area is also sparse consisting of coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.
- E. Residences and Other Structures: 330' to the south
- F. Archaeological, Historical and Cultural Sites: No cultural resources have been recorded in the area. An archaeological reconnaissance of the work area have already been submitted with original APD.
- G. Land Use: Open field
- H. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.

- I. After the wellsite is cleaned and pits and sumps backfilled, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be reseeded with grass if, in the opinion of the land owner, it is required.

13. Operator's Representatives and Certification

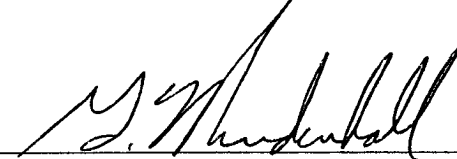
The field representative responsible for assuring compliance with the approved surface use and operations plan are as follows:

Jerry Rogers
Drilling Superintendent
P.O. Box 1177
Levelland, Texas 79336
Office 806/894-4316
Cell 806/781-3396

Perry Van Zandt
Drilling Foreman
P.O. Box 1177
Levelland, Texas 79336
Office 432/596-4412
Cell 432/894-4464

I hereby certify that I, or persons under my direct supervision, have inspected the proposed rill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Texland Petroleum-Hobbs, LLC and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

11-27-07
Date



Greg Mendenhall
Drilling and Production Manager
Texland Petroleum-Hobbs, LLC
817/336-2751