

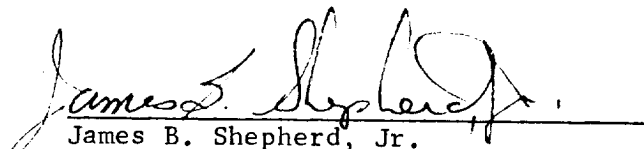
DEVELOPMENT PLAN FOR SURFACE USE

1. See Exhibit No. 1.
2. See Exhibit No. 1.
3. See Exhibit No. 1.
4. See Exhibit No. 1.
5. See Exhibit No. 2.
6. Water for drilling operations will be hauled by truck from Crossroads, New Mexico.
7. Hard waste material, such as, pipe, lumber, bits, etc. will be removed from location upon completion of drilling operations. Soft waste material, such as cuttings, paper boxes, etc. will be placed in a waste pit below ground level and covered with a minimum of 24" of top soil.
8. Not applicable.
9. Not applicable.
10. See Exhibit No. 3. The location will be 6" compact caliche.
11. Upon completion of drilling operations, pits will be broken out and leveled. Location will be cleaned with pad, roads, turn-arounds, etc. necessary for production operations left remaining.
12. The immediate area around this location is ranch land. The land is flat, low, schinery type bush vegetation. We feel that no extensive or permanent damage will be done to the environment as a result of drilling operations.

Company Representative responsible for compliance with this plan:

Johnnie Arther
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COASTAL STATES GAS PRODUCING COMPANY


James B. Shepherd, Jr.
District Production Manager