

PETROLEUM DEVELOPMENT CORPORATION  
SUPERIOR FEDERAL #1  
330' FN&EL  
Section 33-18S-32E  
Lea County, New Mexico

TWELVE-POINT DEVELOPMENT PLAN

1. AREAL ROAD MAP - Exhibit "A" is a portion of lease ownership map, Southwest Lea County, New Mexico. Existing black top highway runs north-south approximately two miles west of the location. At approximately twelve miles south of Malajamar, New Mexico an existing lease road runs eastward, then northward, then westward direct to the location.
2. LOCATION OF EXISTING WELLS - Nearest deep production is approximately 3/4 mile to the southeast. Several shallow wells have been drilled within a two-mile radius and are shown on Exhibit "A".
3. PROPOSED WELL MAT AND IMMEDIATE AREA - Refer to Exhibit "B" for direction orientation and road access.
  - a. MAT SIZE - 150' x 250'
  - b. SURFACE - Topped with 6" of caliche. Road and location is still in good condition and will be serviceable with minor repairs.
  - c. RESERVE PIT - 100' x 100' pit lined with plastic; joining mat to north.
  - d. CUT & FILL - No dirt work required other than minor repairs to road.
  - e. DRILL SITE LAYOUT - Exhibit "B" shows position of mat, reserve pits, burn pits, trash pits, and mud pits in relation to well. Rig will be erected with V-Door to east.
  - f. SETTING AND ENVIRONMENT
    - (1) TERRAIN - Generally flat to slightly rolling.
    - (2) SOIL - Sandy soil.
    - (3) VEGETATION - Miniature scrub oak and small mesquite trees with sparse cover of native grass and small weeds.
    - (4) SURFACE USE - Grazing
    - (5) OTHER - Drillsite, which is in nearly flat semi-arid desert country, is in a low environmental risk area. The total effect of drilling and producing this and other wells in this area would be very minimal.