

Phillips Petroleum Company
Lusk Deep Unit-A, Well No. 13

Location: 1980' from S&W lines, Section 18, T-19-S, R-32-E, Lea County, New Mexico.

1. Existing roads on lease (Sec. 18 = dirt road runs east/southwest in SE/4 Sec. 18)
(See attached sketch)
2. Planned Access Roads: Commence at existing dirt road in SE/4 Sec. 18 (appx. 2000' SE of well site), construct approximately 2000' x 20' access road to run northwest to well site in Sec. 18.
3. Location of Well: 1980 feet from south and west lines, Sec. 18, 19-S, 32-E, Lea County.
4. Lateral Roads at Area of Well Site: Existing dirt road runs E/SW in SE/4 of Section 18 which is approximately 2000' SE of well site. Existing paved road runs N/S along west line of Section 20, is intersected by first named dirt lease road, junctions to the north approximately 10 miles with Highways #529 & U.S. #62, junctions to the south approximately 9 miles with U.S. Highways #62 and 180. (See attached sketch)
5. Tank battery and production facilities as required will be contained within drill site pad upon well completion.
6. We propose that water for drilling operations be secured at Phillips' Lusk Plant with water line to be laid along existing Section 18 dirt road and proposed new access road rights of ways.
7. We propose that gas fuel for drilling be secured at Phillips' Lusk Plant with gas line to be laid along existing Section 18 dirt road and proposed new access road right of ways.
8. All waste disposal will be put in separate pits and covered with minimum of 24" back-fill.
9. No camps or airstrips will be located on lease.
10. Drill site location will be an area 300' east/west by 400' north/south, cleared and leveled with reserve pits dug in the northern 200' of site area. Rig, racks, pumps, steel pits, water tanks, and portable office to be located on southern 200' portion of pad. Drill site proper (contained within the pad) will be permanently caliched in approximate area of 265' E/W x 200' N/S.
11. Restoration of surface: Dug pits within the cleared area will be backfilled and leveled. Caliched pad of the cleared area is a permanent type emplacement.
12. This land use plan is essentially the same as that used on other wells of like depth in Lea and Eddy counties.