

INEXCO OIL COMPANY  
PLAN OF OPERATION

DATE: February 1, 1977

WELL NAME: Federal #1

LOCATION: C SE/4 NE/4 Section 7, T19S, R33E  
Lea County, New Mexico  
Lease Number NM 2843

#1 Existing Roads:

A. Proposed well site as staked:

See Survey Plat and Diagram "D".

B. Route and distance from nearest town or locatable reference point to where well access route leaves main road:

From intersection of Highway 62 and 176, go north nine (9) miles on 176. Turn right at Phillips Plant and proceed east 5.8 miles where road turns north. Proceed .1 miles to intersection. Continue north .4 miles through cattleguard to Llano Pipeline right-of-way. Turn right on gravel road paralleling pipeline 3/4 mile to location.

C. Access road(s) to location color-coded or labeled:

New road is that mentioned in 1-B paralleling pipeline right-of-way.

D. If exploratory well, all existing roads within a three (3) mile radius, (including type of surface, conditions, etc.):

See Map "B".

E. If development well, all existing roads within a one (1) mile radius of well site:

Not Applicable

F. Plans for improvement and/or maintenance of existing roads:

Existing road is graveled all-season road and no improvement will be made. New road paralleling pipeline will be flat bladed to remove sand dune roughness and spread with 8" of caliche, then watered and packed to 6" depth with a 12' top. Turnouts will be provided every 1000' to minimize danger of vehicle travel off the roadway.

#2 Planned Access Roads:

Map showing all necessary access roads to be constructed or reconstructed, showing:

(1) Width: 12'

(2) Maximum Grades: Area is generally flat and no appreciable grade will be required.

(3) Turnouts: One turnout per 1000' of road.

(4) Drainage Design: Terrain does not dictate the need for designed drainage patterns. Any construction of drainage ditches would provoke undue wind erosion.