

Proposed Development Plan for Surface Use

Amoco Production Company's Bondurant Federal Well No. 4 Unit J, 2310' FSL
X 1980' FEL, Section 13, T-19-S, R-32-E, Lea County - (Development Well).

1. Existing roads including location of exit from main highway.

Detailed map showing drillsite location in relation to the nearest town and all existing roads within one mile of the wellsite are shown on Exhibit A. From Maljamar, go south on Highway 33 for 14 miles, turn east on dirt road 4.7 miles, turn south on new lease road 600' to well location.

2. Planned access roads.

Approx. 600' new road will be built.

3. Location of existing wells.

All existing wells within one mile radius are shown on Exhibit C.

4. Location of tank batteries and flow lines.

If the well is commercially productive, the production facilities (i.e. Tanks, separators and treaters) will be located on the southeast end of the pad. See Exhibit D.

5. Location and type of water supply.

Fresh water and brine water will be hauled from the nearest available source by commercial contractor (I & W Inc., Loco Hills, N.M.)

6. Source of construction materials. (Contractor-Roy Johnson, Levelland, Texas)

Caliche will be obtained from an existing pit located approximately 1 mile west of location.

7. WASTE DISPOSAL -

- a. Drill cuttings will be disposed of in the reserve pit.
- b. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.