4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. Tank Batteries: A tank battery is located approximately 0.5 mile NW of the location.
- B. Producing Facilities: No other producing facilities are required.
- C. Oil Gathering Lines: Flowlines will lay, not buried, alongside road right-of-way. See Exhibit B for location of existing pipelines.
- D. Other Lines: Electrical distribution lines will be constructed on 330' spans for a total of 3000'. See Exhibit E. Material and construction schematics are included.
- E. Rehabilitation: Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location. Rehabilitation of the surface is planned to be completed within 45 days from commencement.

5. WATER SUPPLY

Water will be hauled from Eunice, New Mexico.

6. SOURCE OF CONSTRUCTION MATERIALS

Caliche will be hauled from a pit located in the SW/4 of the SE/4, Sec. 20, T-21S, R-37E.

7. METHODS FOR HANDLING WASTE DISPOSAL

Waste Disposal: Well cuttings will be disposed in reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" of dirt. See Exhibit "D" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. Any produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted to the survey for appropriate approval.

8. ANCILLARY FACILITIES

None required.

9. WELL SITE LAYOUT

Exhibit "D" shows the relative location and dimensions of the well pad, mud pit, reserve pit, etc. The reserve pit will be lined with plastic. The pad and pits are staked.

PLANS FOR RESTORATION OF SURFACE

Pits will be backfilled and leveled as soon as practical to original condition. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 45 days from commencement.

11. OTHER INFORMATION

A. Terrain: Flat.

B. Soil: Sandy.

C. Vegetation: Mesquite and shinnery.

D. Surface Use: Grazing.

E. Ponds and Streams: None within one mile.

F. Water Wells: 3/4 mile northeast.

G. Residences and Buildings: 3/4 mile northeast.

H. Arroyos, Canyons, Etc.: None.

I. Well Sign: Sign identifying and locating well will be maintained at drill site with the spudding of the well.

J. Open Pits: All pits containing mud or other liquids will be fenced.

K. Archaeological Resources: None observed.

12. OPERATOR'S REPRESENTATIVE

Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

Production and Drilling
B. G. Shirley or H. C. Pokrandt
1001 North Turner
Hobbs, New Mexico 88240
Phone: 393-4141

13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Conoco Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

H. C. Pokrandt

Production Superintendent