

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**  
**MYCO INDUSTRIES, INC.**  
**BITSY FEDERAL #2**  
**1980' FNL & 1980' FWL (UNIT F)**  
**S7-T23S-R32E NMPM**  
**LEA COUNTY, NM**  
**NM-86923**

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

**1. EXISTING ROADS:**

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 39 miles West and North of Jal, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

**DIRECTIONS:** 1320' due west of the Myco Blue Quail Federal #1 (660' FSL & 1980' FEL/SEC. 7-T23S-R32E) then north 2510' to the proposed well.

**2. PLANNED ACCESS ROAD**

- A. The proposed new access road will be approximately 2510' in length due North from the proposed Myco Blue Quail Federal #3 as shown on the attached plat (Exhibit A).
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The New road will be bladed with drainage on one side. Two traffic turnouts will be built.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

**3. LOCATION OF EXISTING WELL**

- A. There is drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

**4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

- A. The common tank battery for the Sharbro Federal #1 & #6, Bitsy Federal #1 & Blue Quail Federal #1 & #2 will be used for this well. The common tank battery is located in the SE/4 SE/4 (Unit P) of Section 7. Produced water will be disposed in the Yates Petroleum Corp. Kiwi "AKX" #8, NMOCD SWD-510, S16-T22S-R32E (Unit H). (See Exhibit A for details).