

YATES PETROLEUM CORPORATION - FEDERAL "HO" NO. 1  
1980' FSL & 660' FEL, Section 7-23S-23E, Eddy County, New Mexico

Surface Use Plan to accompany "Applications to Drill, Federal Lease".

1. EXISTING ROADS: See Plat (Exhibits A & B) From Artesia, go 24 miles south on U.S. 285 to Sitting Bull Falls road, then about 20 miles southwest on State Hiway 137 to H Bar Y ranch access road (Kincaid ranch house on left), then west 4½ miles to cattleguard, then southeast approximately 1 mile to Tule well and 1½ miles to Cox well and 2400 feet southwest to access road. Last 2-¾ miles would require blading and occasional turnouts; some caliche for last mile of road.
2. PLANNED ACCESS ROADS: See Plat (Exhibits A & B) Location is approximately 500 feet west of existing road. Propose 12 foot width, bladed & caliched, no turnouts, no culverts, no fence cuts.
3. LOCATION OF EXISTING WELLS: See Plat (Exhibits A & B) Nearest gas well (shut-in) is located 1½ miles southeast in Section 17. There are other gas wells about 5 miles to north and east and one drilling in Rocky Arroyo (8-9 miles NW). There are several dry holes in area and water wells or windmills within a 2 mile radius of the location.

LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) If a producer, the tank battery and production facilities will be on the east and southeast corner of the pad near access road. Flowlines will be steel and on the surface.

LOCATION AND TYPE OF WATER SUPPLY: See Plat (Exhibit B) Possible water supply 3 miles east, but would necessitate pumping uphill and across non-participating patented land. Will more probably truck water from any available commercial water supply.

6. SOURCE OF CONSTRUCTION MATERIAL: See Plat (Exhibit B) There is a caliche pit in SE/4 of SW/4 Sec. 28-22S-23E, approximately 4½ miles from the location. There is another pit in NE corner of Sec. 16-23S-23E.
7. METHODS FOR HANDLING WASTE DISPOSAL: See Plat (Exhibit C) Well cuttings will be disposed of in the reserve pits; mud sacks, paper & garbage will be burned; garbage will be accumulated in trash barrels and disposed of by burning or will be buried three feet in the burn pit. If productive, produced water will be collected in a tank and hauled away.
8. ANCILLARY FACILITIES: None.
9. WELL SITE LAYOUT: (rig, tanks, pits, racks, & etc.) See Sketch (Exhibit C) Exhibit C shows position of drill pad, rig, reserve pits, burn pit, mud pits, jet sump, pipe racks, pumps, water tanks. Pad size is 220' X 270', cut and fill - approximately 1 foot of cut from NE corner & 1 foot fill in SW corner. Surface to be bladed and caliched. Reserve pit is 90' X 120', plastic-lined. Pad is flagged with red tape; pit area is flagged with orange tape.
10. PLANS FOR RESTORATION OF SURFACE: If well is productive, pits will be fenced until dry, then back-filled and levelled as soon as practical. Location will be cleaned, all excess material removed from location. Upon abandonment, location will be cleaned and levelled or restored in compliance with BLM stipulations and to the satisfaction of the surface owners.

RECEIVED

FEB 28 1977

U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO