SURFACE USE AND OPERATIONS PLAN FOR

TEXACO PRODUCING, INC.

FEDERAL NEFF "13" #5,

1980 FNL & 1980 FWL SECTION 13,

TWP. 22 SOUTH, RANGE 31 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO

LOCATED: 30 miles East of Carlsbad, New Mexico

FEDERAL LEASE NUMBER: NM 29233

LEASE ISSUED: February 1, 1977, Lease is in producing status

ACRES IN LEASE: 1120 Acres

RECORD LESSEE: TEXACO PRODUCING, Inc.

SURFACE OWNERSHIP: USA

GRAZING PERMITTEE: Mr. J.C. Mills
Drawer "G"
Abernathy, Texas 79311

POOL: Brushy Canyon

<u>POOL RULES:</u> Field Rules are for no wells to be located closer than 330' to any quarter-quarter section, to be 330' from the lease line, and 330' from the nearest well.

EXHIBITS: A. Access Road and Facilities Map

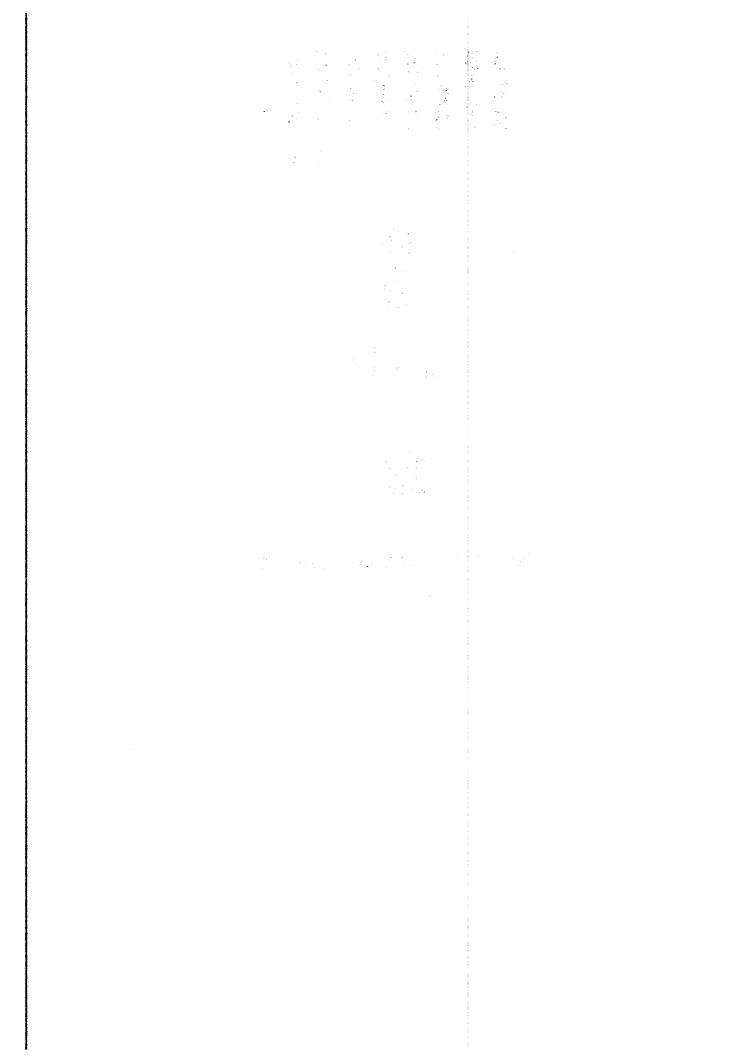
- B. Drilling Rig Layout Diagram
- C. Well Location and Acreage Dedication Plat







Job separation sheet



Surface Use and Operation Plan, Fed. Neff "13" #5, 8/29/90, Pg. 2

1. EXISTING ACCESS ROADS

A. Exhibit "A" in a portion of a 7.5 minute U.S.G.S. topographic map showing the proposed well site and the existing roads in the area. Point "A" is the junction of the proposed resource road with Lea County Road No. C-29, being 11.3 miles Southeasterly, Southerly and Southwesterly, from its intersection with U.S. Highway 62 & 180. Said intersection is approximately 32 miles Northeasterly of Carlsbad and 40 miles Southwesterly of Hobbs, New Mexico along the major established Public Road System. Point "A" is also approximately 8.9 miles Northerly on Eddy County Road No. 798 and 1.1 mile Northeasterly on Lea Co. Road C-29 from Eddy County Road 798 intersection with State Highway 128, which is approximately 34 miles Westerly of Jal, New Mexico.

2. PLANNED RESOURCE ROAD

- A. <u>Length and Width:</u> From Point "A" as shown on Exhibit "A", a new 14 foot wide Resource Road will be constructed 1180 feet Westerly (Shown in Blue on Exhibit "A") with access at the Southeast corner of the proposed well pad, as shown on Exhibits "A" and "B".
- B. <u>Surfacing Material</u>: Caliche material will be used to surface the proposed road. It will be watered, compacted, and graded.
- C. <u>Maximum Grade</u>: An approximate grade of one to two percent will be encountered descending from Point "A" to the proposed well pad.
 - D. Turnouts: None required.
- E. <u>Drainage Design:</u> The new road will be crowned at the center to direct drainage to ditches on both sides of the roadway with turnout ditches to be constructed as required.
 - F. Culverts: None required.
- G. <u>Cuts and Fills</u>: A slight amount of leveling will be required as the road crosses several small sand dunes to the proposed well pad.
- H. Gates and Cattle Guards: A cattleguard will be installed at the junction of the planned resource road and Lea County Road C-29.

3. LOCATION OF EXISTING WELLS

A. Existing wells on the lease and in the immediate area are shown on Exhibit "A".