SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL HOBBS OCD

OCT 27 2016

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# APD Surface Use Plan of Operations

# **Existing Roads (Exhibit 1)**

- The operator will improve or maintain existing roads in a condition the same as or better than before operations begin. The operator will repair pot holes, clear ditches, repair the crown, etc. All existing structures on the entire access route such as cattle guards, other range improvement projects, culverts, etc. will be properly repaired or replaced if they are damaged or have deteriorated beyond practical use. We will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or wind events. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways.
- Driving Directions From Jal, New Mexico. The location is approximately 33 miles from the nearest town, which is Jal, New Mexico. From Jal, proceed west on Highway 128 approximately 14 miles and turn left (South) onto CR2 and go approximately 13 miles on CR2 until the road reaches the intersection with Dinwiddie Rd (stop sign with "private road" signage). Turn right (west) onto Dinwiddie Rd (Chevron has an agreement and easement for use of this road) and travel west approximately .3 miles, then bear left (south) onto Battle Axe Road (a continuation of CR2). Travel 5 miles on Battle Axe Road, following its bends, until you reach the Chevron lease road into Salado. Turn right (North) and travel .5 miles, then follow lease road to the well location.

# New or Reconstructed Access Roads - Survey plat (Exhibit 2)

- There will be 4,739' of new road construction for the well pad, facilities, and frac pond.
- Road Width: The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed 14'. The maximum width of surface disturbance shall not exceed 25'.
- Maximum Grade: 3%
- Crown Design: Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2%. The road shall conform to cross section and plans for typical road construction found in the BLM Gold Book.
- Turnouts: 50-60'

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

- Ditch Design: Ditching will be constructed on both sides of road.
- Cattle guards: Standard size to be installed for Frac pond on allotment fence.
- Major Cuts and Fills: 2:1 during drilling and completions. Cuts and fills taken back to 3:1 at interim.
- Type of Surfacing Material: Caliche

# Location of Existing Wells (Exhibit 3)

• 1-Mile radius map is attached

# Location of Existing and/or Proposed Production Facilities (Exhibit 4)

- Facilities: Production will be transported via buried flowline to existing facilities in the SE4 of Sec. 14, T26S-R32E where oil and gas sales will take place.
  - o Gas purchaser pipeline will be brought to the tank battery.
  - o Open top tanks or open containments will be netted.
  - Open vent exhaust stacks will be modified to prevent birds or bats from entering, discourage perching, roosting, and nesting.
  - Facilities will have a secondary containment 1.5 times the holding capacity of largest storage tank.
  - All above ground structures will be painted non-reflective shale green for blending with surrounding environment.
  - The tank battery will be connected to the existing water gathering system in the field for permanent water disposal. The system design will be determined and approved prior to construction of any water transfer pipeline. Until permanent water takeaway is available, produced water will be hauled off location in trucks.
- Pipelines: Four 4" buried flowlines will be routed in the same ditch, approximately 5,714', will be laid from well running north to the facility in Section 14.
  - Pipeline will run parallel to existing disturbances and will stay within approved ROW.
- Power lines: No new powerlines are needed

# **Location and Types of Water Supply (Exhibit 5)**

- Primary pond to be situated in Sections 13 &14, T26S-R32E (700'x700' or 11.25 acres).
- Secondary ponds in Section 23, T26S-R32E will be utilized for fresh water.
- Fresh water will be obtained from a private water source, stored in existing ponds in Sections 19 & 29 T26S-R33E.

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

- For pond, a temporary 10" expanding pipe transfer line will run from pond(s) along fenceline, road, or existing disturbance then along proposed access road approx.
   9,758'.
  - Fresh water line will run parallel to existing disturbance and will stay within 10' of access road.
  - A BLM ROW will be applied for through the BLM.

#### **Construction Material**

- Caliche will be used to construct well pad and roads. Material will be purchased from the nearest federal, state, or private permitted pit.
- The proposed source of construction material will be located and purchased by construction contractor.
  - Payment shall be made by contractor prior to any removal of federal minerals material by contacting agent at (575) 234-5972.
  - Notification shall be given to BLM at (575) 234-5909 at least 3 working days prior to commencing construction of access road and/or well pad.

# **Methods for Handling Waste**

- Drilling fluids and produced oil and water from the well during drilling and completion operations will be stored safely and disposed of properly in an NMOCD approved disposal facility.
- Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility. All trash on and around the well site will be collected for disposal.
- Human waste and grey water will be properly contained and disposed of properly at a state approved disposal facility.
- After drilling and completion operations, trash, chemicals, salts, frac sand and other
  waste material will be removed and disposed of properly at a state approved
  disposal facility.
- The well will be drilled utilizing a closed loop system. Drill cutting will be properly
  disposed of into steel tanks and taken to an NMOCD approved disposal facility.

# **Ancillary Facilities**

No ancillary Facilities are proposed.

# Well Site Layout (Exhibit 6)

- Surveyor Plat (Exhibit 6a)
  - o Exterior well pad dimensions are 360' x 495'.

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

- o Interior well pad dimensions from point of entry (well head) of the easternmost well are N-100', S-260', E-285', W-210'. The length to the west includes 25' spacing for next well on multi-well pad (four wells). Total disturbance area needed for construction of well pad will be 4 acres.
- Topsoil placement is on the west where interim reclamation is planned to be completed upon completion of well and evaluation of best management practices.
- o Cut and fill: will be minimal.
- Rig Layout (Exhibit 6b)

#### **Plans for Surface Reclamation**

#### **Reclamation Objectives**

- The objective of interim reclamation is to restore vegetative cover and a portion of the landform sufficient to maintain healthy, biologically active topsoil; control erosion; and minimize habitat and forage loss, visual impact, and weed infestation, during the life of the well or facilities.
- The long-term objective of final reclamation is to return the land to a condition similar to what existed prior to disturbance. This includes restoration of the landform and natural vegetative community, hydrologic systems, visual resources, and wildlife habitats. To ensure that the long-term objective will be reached through human and natural processes, actions will be taken to ensure standards are met for site stability, visual quality, hydrological functioning, and vegetative productivity.
- The BLM will be notified at least 3 days prior to commencement of any reclamation procedures.
- If circumstances allow, interim reclamation and/or final reclamation actions will be completed no later than 6 months from when the final well on the location has been completed or plugged. We will gain written permission from the BLM if more time is needed.
- Reclamation will be performed by using the following procedures:

#### **Interim Reclamation Procedures**

- Within 6 months, Chevron will contact BLM Surface Management Specialists to devise the best strategies to reduce the size of the location. Current plans for interim reclamation include reducing the pad size to approximately 2.5 acres from the proposed size of 4 acres. Within 30 days of well completion, the well location and surrounding areas will be cleared of, and maintained free of, all materials, trash, and equipment not required for production. A plan will be submitted showing where interim reclamation will be completed in order to allow for safe operations, protection of the environment outside of drilled well, and following best management practices found in the BLM "Gold Book".
- In areas planned for interim reclamation, all the surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

pads.

- The areas planned for interim reclamation will then be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.
- Topsoil will be evenly respread and aggressively revegetated over the entire
  disturbed area not needed for all-weather operations including cuts & fills. To seed
  the area, the proper BLM seed mixture (BLM #2), free of noxious weeds, will be
  used.
- Proper erosion control methods will be used on the area to control erosion, runoff and siltation of the surrounding area.
- The interim reclamation will be monitored periodically to ensure that vegetation has reestablished

#### Final Reclamation (well pad, buried pipelines, and power lines, etc.)

- Prior to final reclamation procedures, the well pad, road, and surrounding area will be cleared of material, trash, and equipment.
- All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads.
- All disturbed areas, including roads, pipelines, pads, production facilities, and
  interim reclaimed areas will be recontoured to the contour existing prior to initial
  construction or a contour that blends in distinguishably with the surrounding
  landscape. Topsoil that was spread over the interim reclamation areas will be
  stockpiled prior to recontouring. The topsoil will be redistributed evenly over the
  entire disturbed site to ensure successful revegetation.
- After all the disturbed areas have been properly prepared; the areas will be seeded with the proper BLM seed mixture (BLM #2), free of noxious weeds.
- Proper erosion control methods will be used on the entire area to control erosion, runoff and siltation of the surrounding area.

# **Surface Ownership**

- BLM Surface
  - o Surface Tenant Oliver Kiehne
- Nearest Post Office: Jal Post Office; 50 Miles East

#### Other Information

• On-site performed by BLM NRS: Paul Murphy 3/21/2016

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

- Cultural report attached: **No** Participating Agreement attached: Yes
- Erosion / Drainage: Drainage control system shall be constructed on the entire length of road by the use of any of the following: ditches, side hill out-sloping and in-sloping, lead-off ditches, culvert installation, or low water crossings.
- Exclosure fencing will be installed around open cellar to prevent livestock or large wildlife from being trapped after installation. Fencing will remain in place while no activity is present and until backfilling takes place.
- Terrain: Landscape is flat
- · Soil: Sandy loam
- Vegetation: Vegetation present in surrounding area includes mesquite, shrubs, and grass (needle-grass, burro grass, dropseed).
- Wildlife: No wildlife observed, but it is likely that deer, rabbits, coyotes, and rodents pass through the area.
- Surface Water: No surface water concerns.
- Cave Karst: Medium Karst area with no caves or visual signs of caves found.
- Watershed Protection: The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminates from leaving the well pad.
- Water wells: No known water wells within the 1- mile radius.
- Residences and Buildings: No dwellings within the immediate vicinity of the proposed location.
- Well Signs: Well signs will be in compliance per federal and state requirements and specifications.

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

# Chevron Representatives

Primary point of contact:
Kevin Dickerson
kevin.dickerson@chevron.com
M- 432-250-4489

#### **Chevron Functional Contacts**

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Email: antoniopaez@chevron.com

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Email: khodges@chevron.com

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# **Regulatory Specialist**

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Address: 15 Smith Road, Midland, TX 79705

Office: (432) 687-7375

Email: leakejd@chevron.com

SECTION 14, T26S, R32E BHL 180' FNL & 1670' FWL

#### **EXHIBITS:**

Exhibit 1 -- Existing Roads

Exhibit 2 -- Survey Plat: New or Reconstructed Roads Map: if road is outside 600' x 600'.

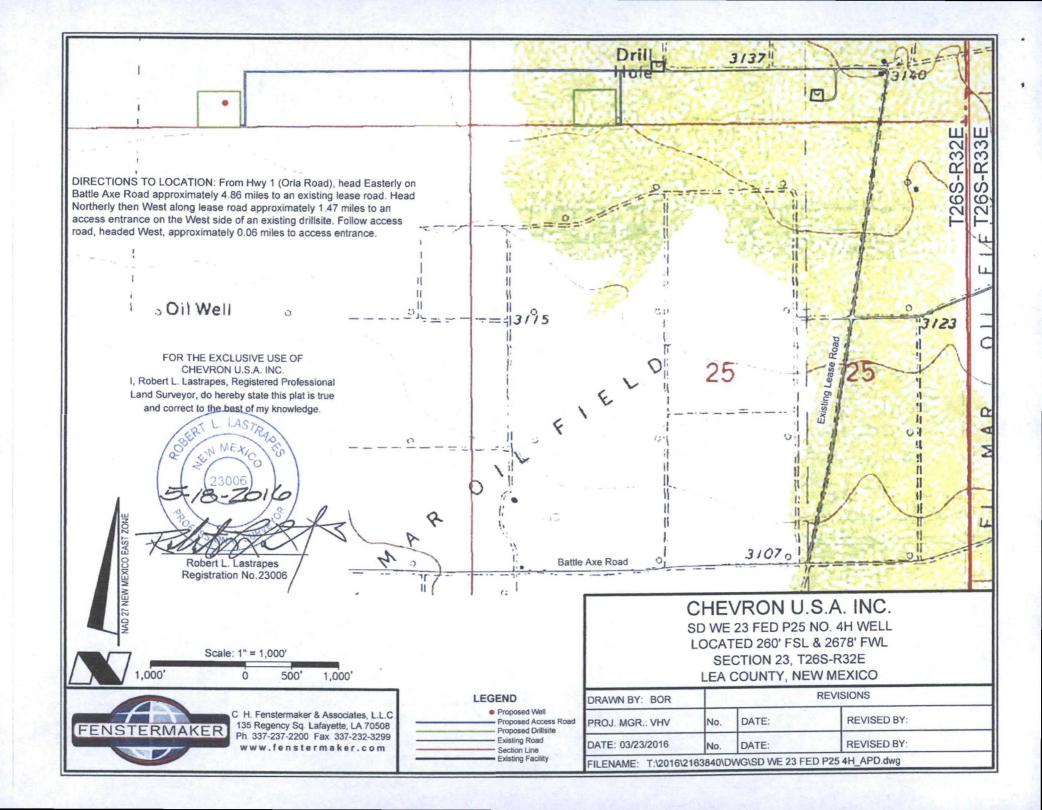
Exhibit 3 -- 1-mile Radius Map

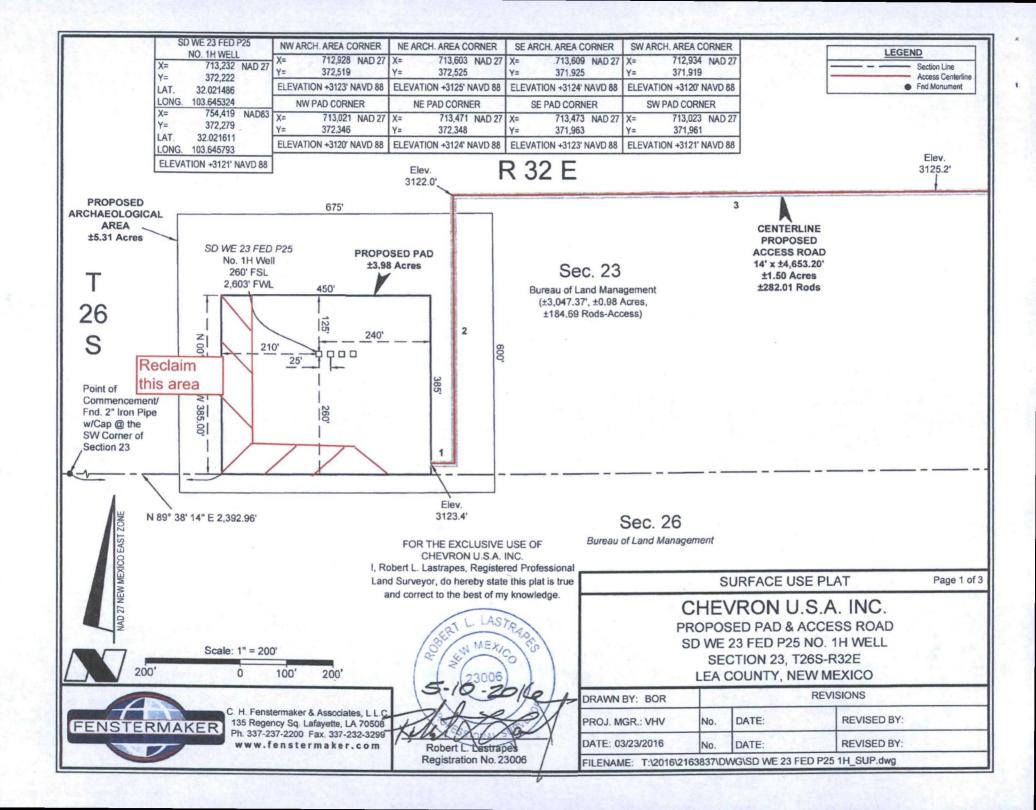
Exhibit 4 -- Location of Existing and/or Proposed Production Facilities (Tank Battery)

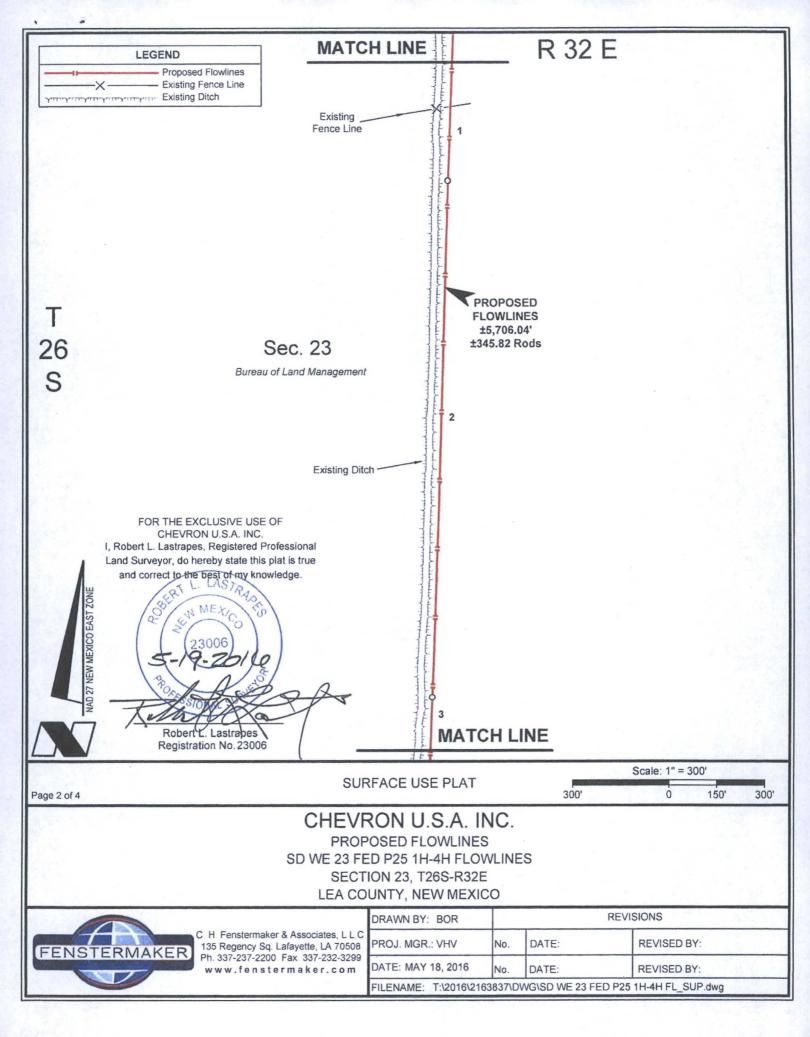
Exhibit 5 -- Survey Plat: Infrastructure: roads, pipelines, power lines, frac pond

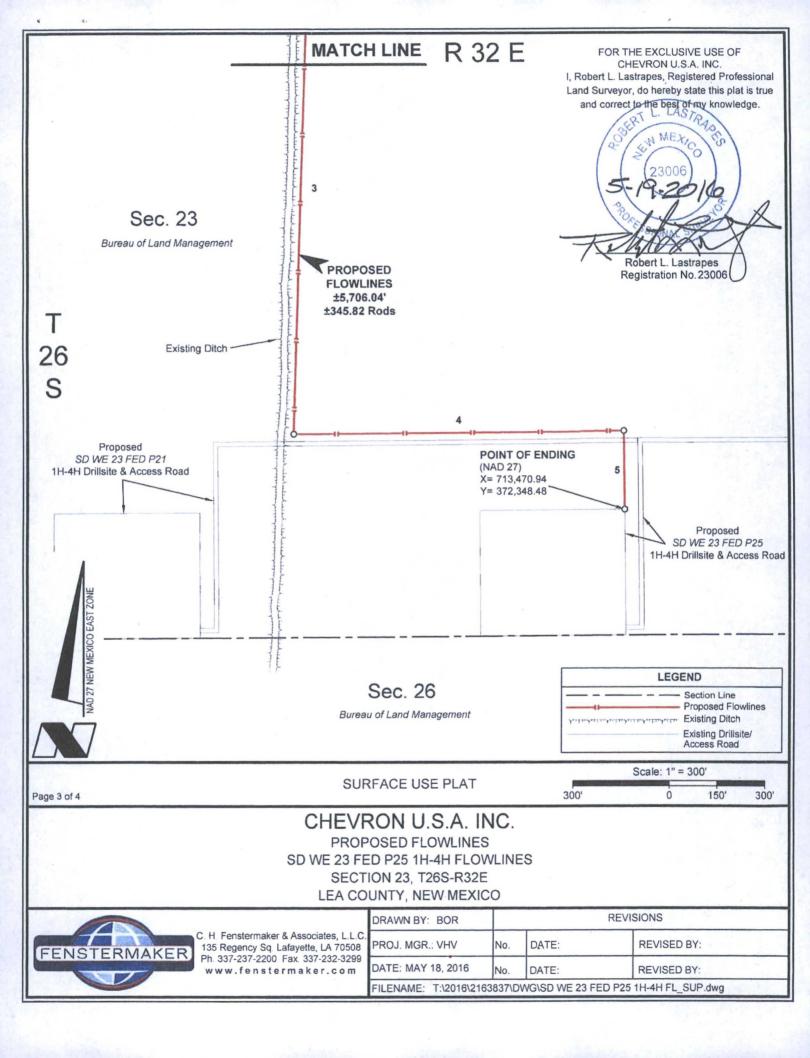
Exhibit 6 -- Rig Layout: Well Site Layout Map / Diagram

Exhibit 7 -- Interim Reclamation Plat









#### NOTE:

Please be advised, that while reasonable efforts are made to locate and verify pipelines and anomalies using our standard pipeline locating equipment, it is impossible to be 100 % effective. As such, we advise using caution when performing work as there is a possibility that pipelines and other hazards, such as fiber optic cables, PVC pipelines, etc. may exist undetected on site.

#### NOTE

Many states maintain information centers that establish links between those who dig (excavators) and those who own and operate underground facilities (operators). It is advisable and in most states, law, for the contractor to contact the center for assistance in locating and marking underground utilities. For guidance: New Mexico One Call - www.nmonecall.org

DISCLAIMER: At this time, C. H. Fenstermaker & Associates, L.L.C. has not performed nor was asked to perform any type of engineering, hydrological modeling, flood plain, or "No Rise" certification analyses, including but not limited to determining whether the project will impact flood hazards in connection with federal/FEMA, state, and/or local laws, ordinances and regulations. Accordingly, Fenstermaker makes no warranty or representation of any kind as to the foregoing issues, and persons or entities using this information shall do so at their own risk.

#### METES AND BOUNDS DESCRIPTION OF PROPOSED FLOWLINES SECTION 23, T26S-R32E LEA COUNTY, NEW MEXICO

#### SD WE 24 FED P25 1H-4H FLOWLINES

**Sur**vey of proposed flowlines 5,706.04 feet or 345.82 rods in length crossing Bureau of Land Management land in Section 23 of Township 26 South Range 32 East, N.M.P.M Lea County, New Mexico.

**COMMENCING** at the Northwest corner of said Section 23 of Township 26 South Range 32 East at a Found 1 1/2" Iron Pipe with Cap; **THENCE** South 82 degrees 03 minutes 27 seconds East 2,027.02 feet to the **POINT OF BEGINNING** having the following coordinates: X= 712,601.97 and Y= 377,016.37 (New Mexico State Plane Coordinate System, East Zone, NAD 27);

Thence South 02 degrees 17 minutes 56 seconds West 1,529.02 feet;

Thence South 01 degrees 57 minutes 24 seconds West 1,595.50 feet;

Thence South 01 degrees 57 minutes 32 seconds West 1,310.61 feet;

Thence North 89 degrees 35 minutes 55 seconds East 1,028.01 feet;

**Thence** South 00 degrees 22 minutes 30 seconds East 242.90 feet to the **POINT OF ENDING** having the following coordinates: X= 713,470.94 and Y= 372,348.48 (New Mexico State Plane Coordinate System, East Zone, NAD 27);

The bearings recited hereon are oriented to NAD 27 New Mexico East Zone.

This description represents a survey of proposed flowlines and is intended solely for that purpose.  $\boldsymbol{\cdot}$ 

This description does not represent a boundary survey.

PR	NES	
COURSE	BEARING	DISTANCE
1	S 02° 17' 56" W	1529.02'
. 2	S 01° 57' 24" W	1595.50'
3	S 01° 57' 32" W	1310.61'
4	N 89° 35' 55" E	1028.01'
5	S 00° 22' 30" E	242.90'

FOR THE EXCLUSIVE USE OF CHEVRON U.S.A. INC.

 Robert L. Lastrapes, Registered Professional Land Surveyor, do hereby state this plat is true and correct to the best of my knowledge.

> Robert L. Lastrabes Registration No. 23006

SURFACE USE PLAT

Page 4 of 4

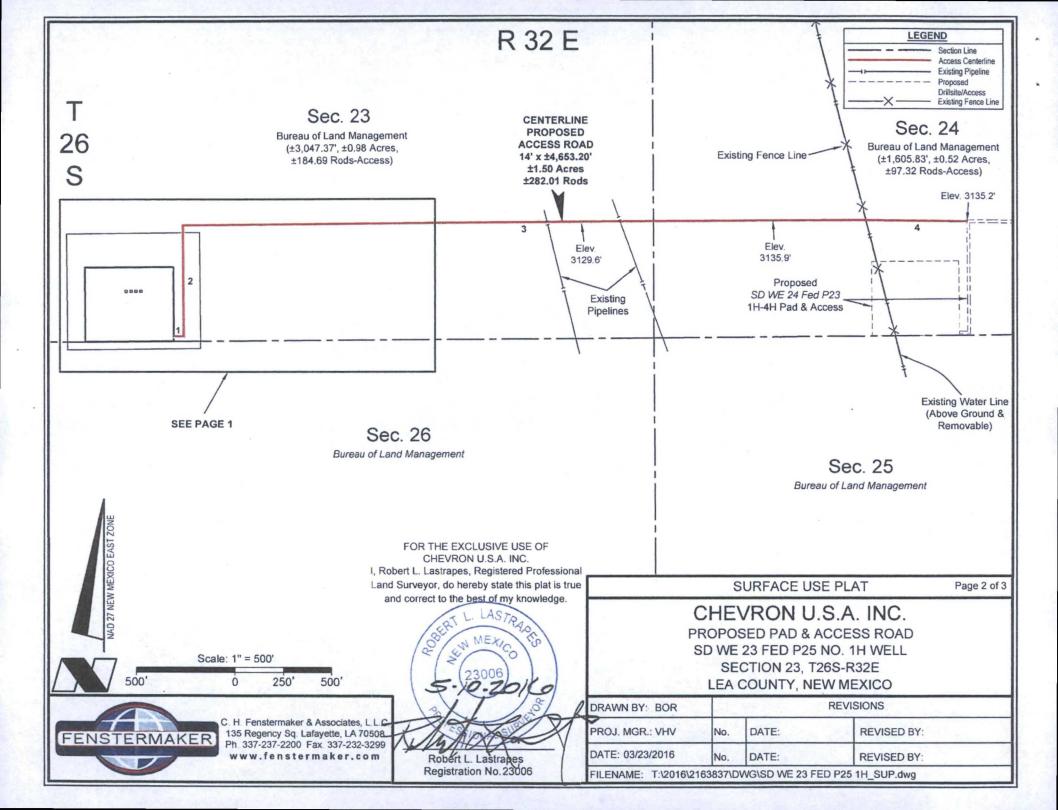
# CHEVRON U.S.A. INC.

PROPOSED FLOWLINES SD WE 23 FED P25 1H-4H FLOWLINES SECTION 23, T26S-R32E LEA COUNTY, NEW MEXICO



C. H. Fenstermaker & Associates, L.L.C. 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax 337-232-3299 www.fenstermaker.com

DRAWN BY: BOR			REVISIONS
PROJ. MGR.: VHV	No.	DATE:	REVISED BY:
DATE: MAY 18, 2016	No.	DATE:	REVISED BY:



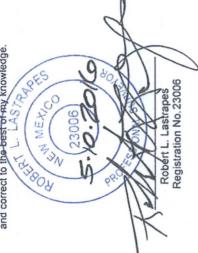
Please be advised, that while reasonable efforts are made to locate and equipment, it is impossible to be 100 % effective. As such, we advise pipelines and other hazards, such as fiber optic cables, PVC pipelines. verify pipelines and anomalies using our standard pipeline locating using caution when performing work as there is a possibility that etc. may exist undetected on site.

those who dig (excavators) and those who own and operate underground Many states maintain information centers that establish links between contractor to contact the center for assistance in locating and marking underground utilities. For guidance: New Mexico One Call System facilities (operators). It is advisable and in most states, law, for the www.nmonecall.org

flood plain, or "No Rise" certification analyses, including but not limited to determining whether the project will impact flood hazards in connection with federal/FEMA, state. and/or local laws, ordinances and regulations. Accordingly, Fenstermaker makes no performed nor was asked to perform any type of engineering, hydrological modeling, warranty or representation of any kind as to the foregoing issues, and persons or DISCLAIMER: At this time, C. H. Fenstermaker & Associates, L.L.C. has not entities using this information shall do so at their own risk.

Land Surveyor, do hereby state this plat is true I, Robert L. Lastrapes, Registered Professional FOR THE EXCLUSIVE USE OF CHEVRON U.S.A. INC.

and correct to the best of my knowledge.



COURSE         BEARING         DISTANCE           1         N 89° 40′ 39″ E         50.00′           2         N 00° 21′ 28″ W         575.70′           3         N 89° 34′ 56″ E         3510.76′           4         S 89° 28′ 31″ E         516.74′	CENTERLI	CENTERLINE PROPOSED ACCESS ROAD	CESS ROAD
N 89° 40' 39" E N 00° 21' 28" W 5 N 89° 34' 56" E 35 S 89° 28' 31" E 5	COURSE	BEARING	DISTANCE
N 00° 21' 28" W N 89° 34' 56" E S 89° 28' 31" E	-	N 89° 40' 39" E	50.00
N 89° 34' 56" E 3 S 89° 28' 31" E	2	N 00° 21' 28" W	575.70
S 89° 28' 31" E	8	N 89° 34' 56" E	3510.76
	4	S 89° 28' 31" E	516.74'

SURFACE USE PLAT

Page 3 of 3

CHEVRON U.S.A. INC.

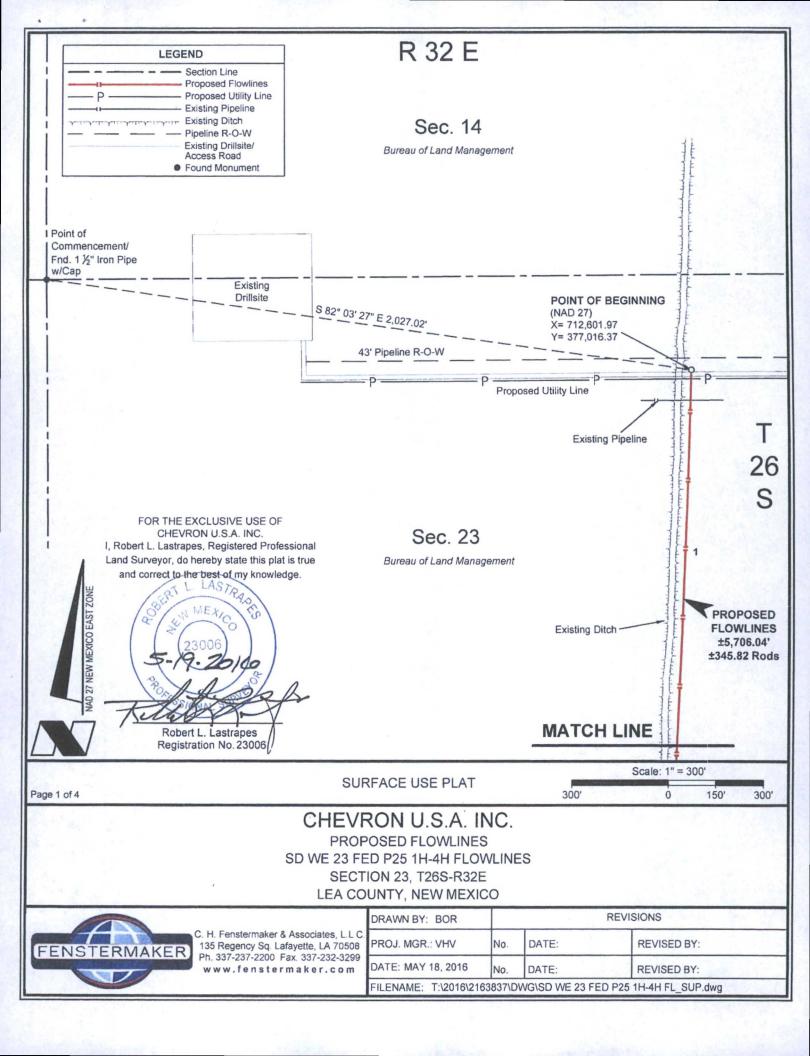
PROPOSED PAD & ACCESS ROAD SD WE 23 FED P25 NO. 1H WELL SECTION 23, T26S-R32E

LEA COUNTY, NEW MEXICO

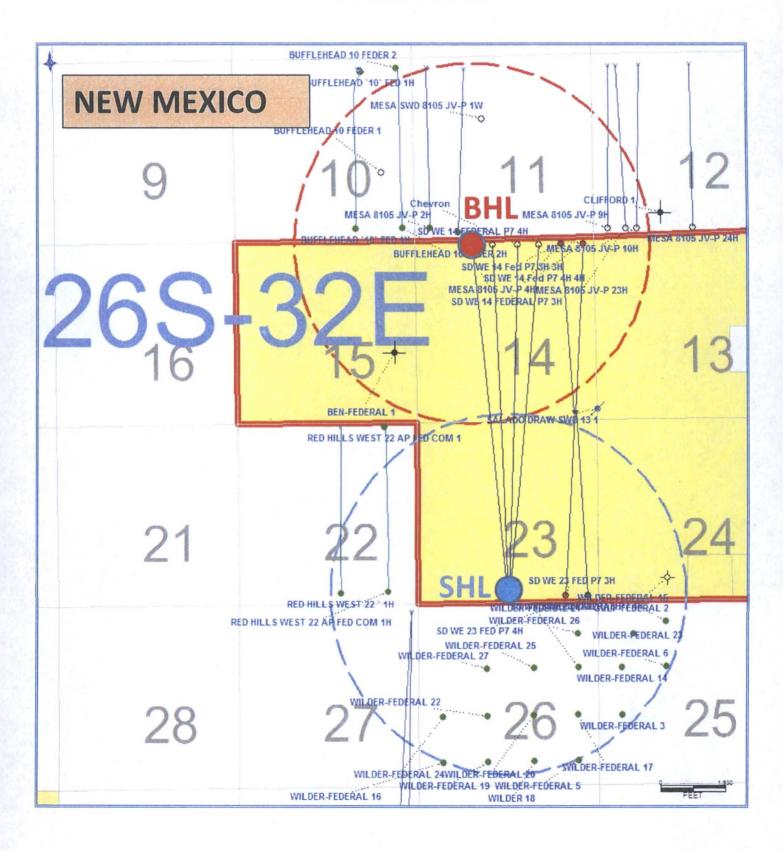
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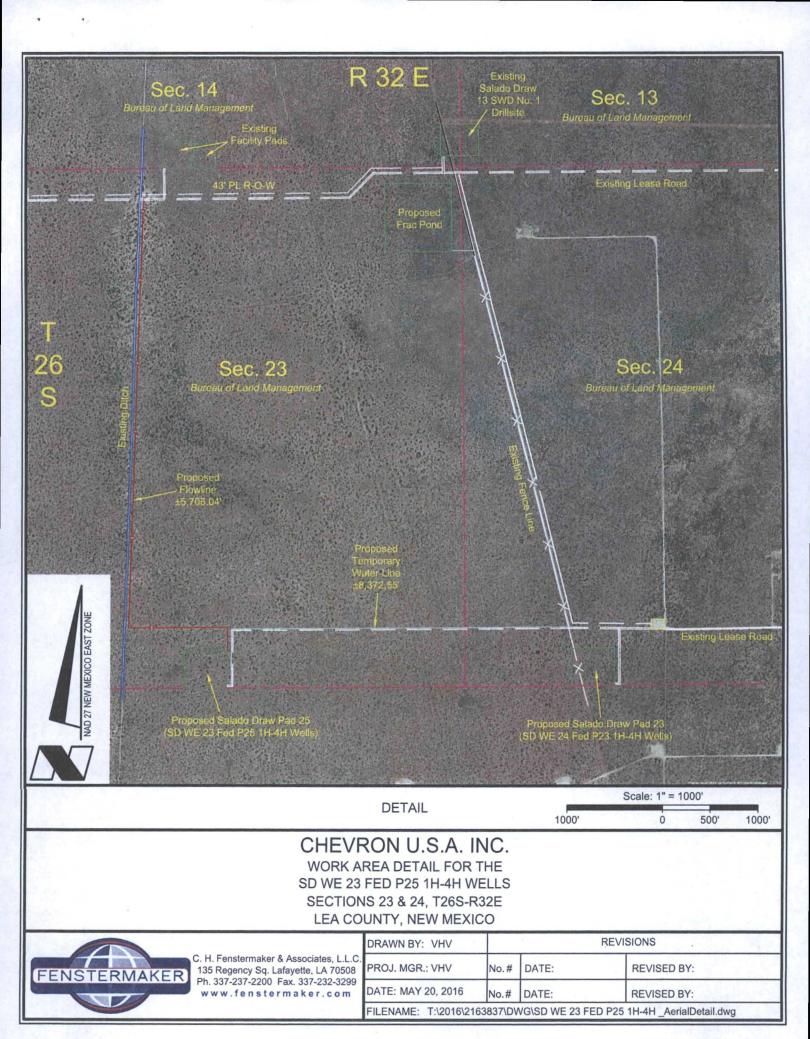
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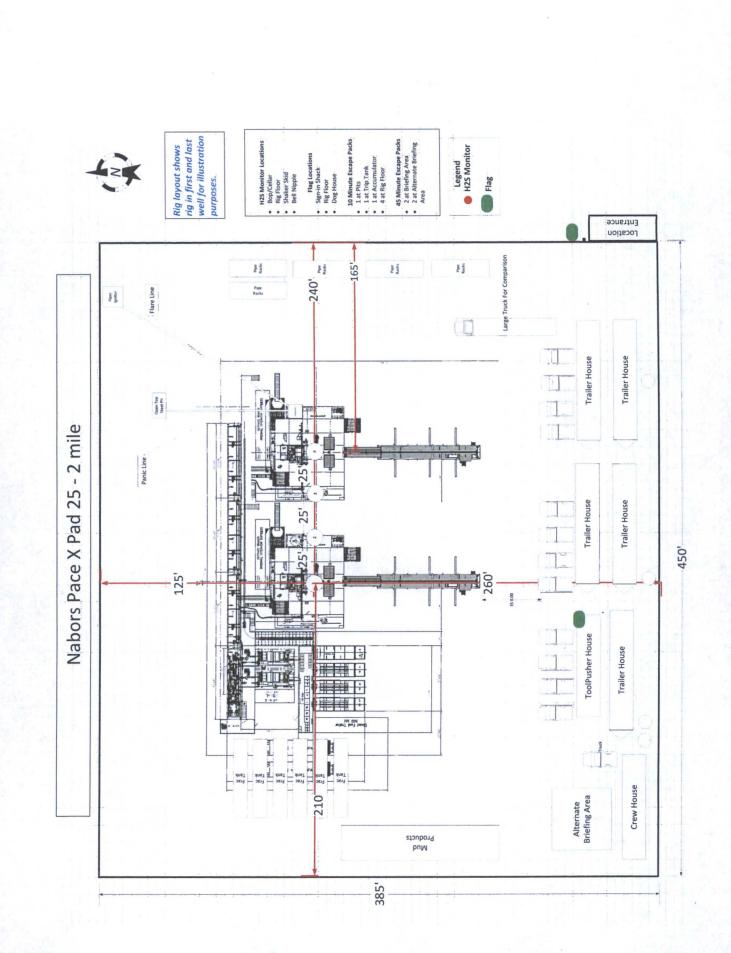
C. H. Fenstermaker & Associates, L.L.C. 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax 337-232-3299 www.fenstermaker.com

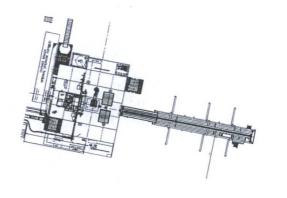


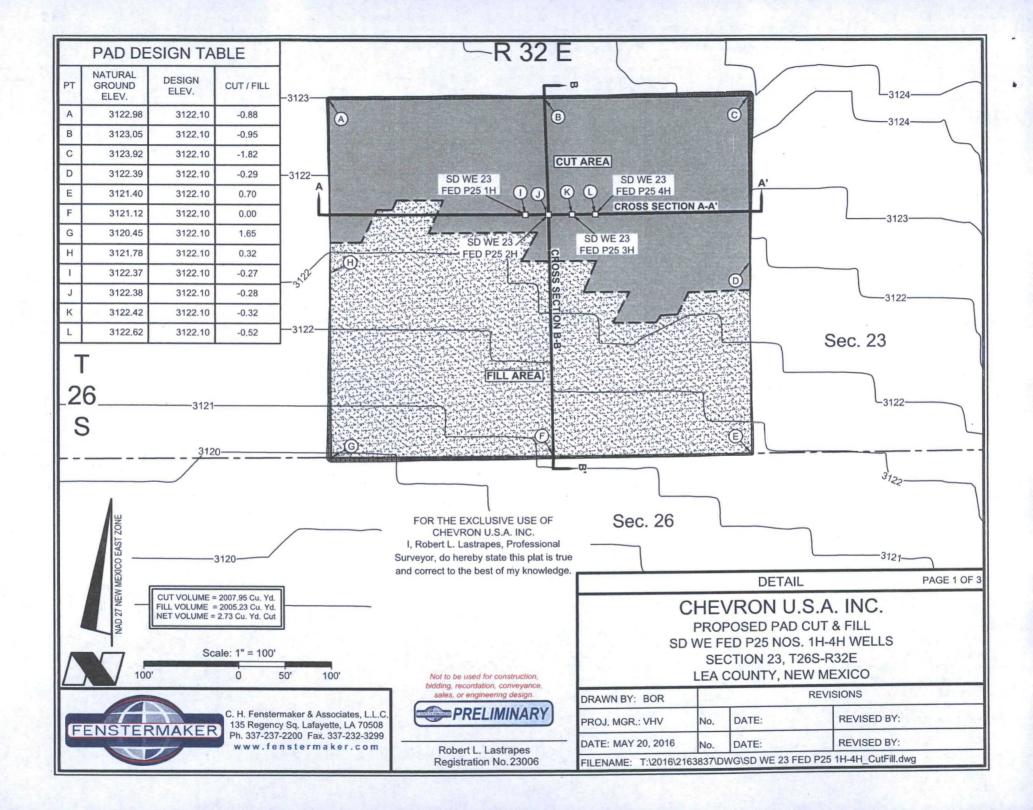
# SD WE 23 Fed P 25-1H SURFACE AHD BOTTOM HOLE LOCATION TWN 26S RNG 32E SEC 23 & 14 1 MILE RADIUS





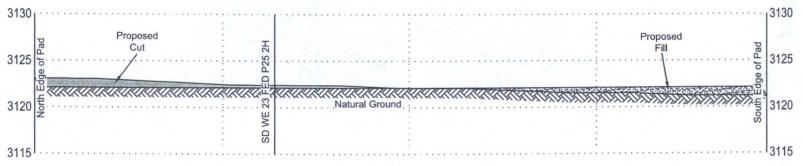






#### **CROSS SECTION A-A'** HORIZONTAL SCALE 1"=50' VERTICAL SCALE 1"=10" 3130 3130 Proposed Proposed Cut Cut 3125 5 3125 of Natural Ground 3120 3120 SD 3115 3115





FOR THE EXCLUSIVE USE OF CHEVRON U.S.A. INC.

I, Robert L. Lastrapes, Professional Surveyor, do hereby state this plat is true and correct to the best of my knowledge.



C. H. Fenstermaker & Associates, L.L.C 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax. 337-232-3299 www.fenstermaker.com Not to be used for construction, bidding, recordation, conveyance, sales, or engineering design.



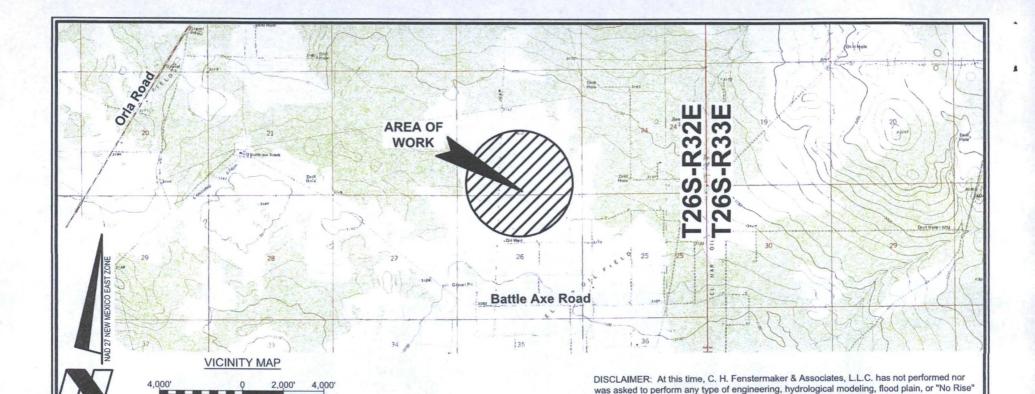
Robert L. Lastrapes Registration No. 23006 DETAIL

PAGE 2 OF 3

# CHEVRON U.S.A. INC.

PROPOSED PAD CUT & FILL SD WE FED P25 NOS. 1H-4H WELLS SECTION 23, T26S-R32E LEA COUNTY, NEW MEXICO

DRAWN BY: BOR	REVISIONS		
PROJ. MGR.: VHV	No.	DATE:	REVISED BY:
DATE: MAY 20, 2016	No.	DATE:	REVISED BY:
FILENAME: T:\2016\21	63837\D	WG\SD WE 23 F	ED P25 1H-4H_CutFill.dwg



NOTE:

Many states maintain information centers that establish links between those who dig (excavators) and those who own and operate underground facilities (operators). It is advisable and in most states, law, for the contractor to contact the center for assistance in locating and marking underground utilities. For guidance: New Mexico One Call www.nmonecall.org

Scale: 1"=4,000"

#### NOTE:

Please be advised, that while reasonable efforts are made to locate and verify pipelines and anomalies using our standard pipeline locating equipment, it is impossible to be 100 % effective. As such, we advise using caution when performing work as there is a possibility that pipelines and other hazards, such as fiber optic cables, PVC pipelines, etc. may exist undetected on site.



C. H. Fenstermaker & Associates, L.L.C. 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax. 337-232-3299 www.fenstermaker.com FOR THE EXCLUSIVE USE OF CHEVRON U.S.A. INC.

I, Robert L. Lastrapes, Professional Surveyor, do hereby state this plat is true and correct to the best of my knowledge.

> Not to be used for construction, bidding, recordation, conveyance, sales, or engineering design.



Robert L. Lastrapes Registration No. 23006

#### NOTE:

The design pad elevation recommendation is based solely on a cut and fill (1:1 ratio) balance of the pad and does not include material required for the access roads. A detailed soil test and slope stability analysis shall be performed prior to construction to ensure proper compaction and working performance of the pad under the anticipated loadings. This material balance sheet does not constitute a foundation design and Fenstermaker makes no warranty to the structural integrity of the site layout as shown. Fenstermaker also makes no recommendation or warranty about the layout relative to flood hazards, erosion control, or soil stability issues.

certification analyses, including but not limited to determining whether the project will impact

flood hazards in connection with federal/FEMA, state, and/or local laws, ordinances and regulations. Accordingly, Fenstermaker makes no warranty or representation of any kind as to the foregoing issues, and persons or entities using this information shall do so at their own risk.

DETAIL

PAGE 3 OF 3

# CHEVRON U.S.A. INC.

PROPOSED PAD CUT & FILL SD WE FED P25 NOS. 1H-4H WELLS SECTION 23, T26S-R32E LEA COUNTY, NEW MEXICO

DRAWN BY: BOR			REVISIONS
PROJ. MGR.: VHV	No.	DATE:	REVISED BY:
DATE: MAY 20, 2016	No.	DATE:	REVISED BY:
FILENAME: T:\2016\21	63837\D	WG\SD WE 23 F	ED P25 1H-4H_CutFill.dwg