

**HOBBS OCD**  
**NOV 22 2016**  
**RECEIVED**

Mesquite SWD, INC  
New Drill  
Station SWD #1  
2625' FNL & 2315' FWL  
Sec 7, T24S-R32E  
Lea county.

The following surface use plan of operations will be followed and carried out once the APD is approved. Mesquite SWD INC. respectfully requests approval to drill a new Devonian disposal well, located in Sec 7, T24S-R32E, 2526' FNL & 2315' FWL in Lea County NM.

1. Existing Roads:

- Please see attached aerial plat for existing road access.
- Mesquite SWD, INC will improve or maintain existing roads in a condition the same or as better than before the operations began. Mesquite SWD INC. will repair potholes, 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.
- Mesquite SWD will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.
- Mesquite SWD will obtain written BLM approval prior to the application of surfactants, binding agents, or other dust suppression chemicals on all roadways.
- The maximum width of the driving surface will be 14'. The road will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1' deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.
- Existing access road route to the proposed project is depicted on the public access point map if applicable. Improvements to the driving surface will be done where necessary. No new surface disturbance will be done, unless otherwise noted in the New or Reconstructed Access Roads section of the surface use plan
- From the intersection of State Hwy 31, and Hwy 128 head east on Hwy 128 for approx. 19 miles to Buck Jackson road, turn south. After turning onto Buck Jackson road, go approx. 150' turn east across Mesquite SWD Bran transfer facility to new access road.

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2. New Construction

- See attached aerial plat for new road and location construction.
- Mesquite SWD will construct a new access road 14' wide and 467' long from the existing Bran transfer facility to the well site located to the SE
- Electrical lines will be ran from the SW corner of the existing Bran facility around the south west side of location, and then east to new well pad. Approximately 2000' of new power line will be ran.
- A pipeline will be constructed from the Bran facility to the Station well pad. Mesquite SWD has an existing ROW which runs across the North side of the proposed well pad. No new disturbance will take place, as existing ROW will be utilized for new pipeline.

3. Proposed Salt Water Disposal Facility.

- Upon completion of the SWD well, Mesquite will construct a recessed tank battery along the east side of location.
- Doghouses will be constructed around all electrical panels, and computers needed for lease operations and over the injection pump to protect from the elements.
- A cement pad will be constructed to accommodate the injection pump. (Size of pad is unknown at this time, due to pump size being unknown)
- A flow line will be built from the Bran facility to the Station well pad. Mesquites existing ROW will be utilized for this construction.
- Any additional and unforeseen pipeline construction will first seek approval of ROW from the BLM. Existing ROW's will be utilized at every possibility

4. Construction Material

- On site caliche will be used for construction if sufficient. In the event insufficient quantities of caliche are available onsite, caliche will be trucked in from an approved BLM pit.
- See attached aerial plat for new construction.

5. Location and Type of water supply

- Fresh water will be piped in from existing Mesquite water lines which run from mile marker 4 on highway 128, approximately 15 miles east of proposed location.
- Brine water will be trucked in from Mesquites Malaga II Brine station located on the intersection of State Highway 31, and U.S. Refinery

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6. **Methods of Handling Waste:**

- **Drilling fluids**, produced oil, and water from the well during drilling **and completion** of operations will be stored safely and disposed of **properly** in a NMOCD approved disposal facility
- **Garbage** and trash produced during drilling and completion **operations** will be collected in a trash trailer and disposed of properly **at a state** approved disposal facility. All trash on and around well site **will be collected** routinely during operations. Once operations have **finished** a final sweep of well pad and surrounding area will take place **to remove** any and all trash.
- **Human waste** and grey water will be properly contained and disposed **of properly** at a state approved disposal site.
- **The well** will be drilled with a closed loop system. All cuttings will be **dewatered** and stored in a portable steel container and hauled to a **NMOCD** approved facility for proper disposal.
- **After operations**, location will be cleared of any and all foreign **material** used during drilling and completion operations. Location will **be graded** to remove any contaminants on the surface of location and **hauled to** an approved NMOCD facility for proper disposal.

7. **Ancillary Facilities**

- **No additional** construction will be required aside from that which was **already** stated for SWD facility operations, pipelines, power lines, and access road

8. **Well Site Layout**

- **See attached** aerial plat for well site layout
- **V door** of rig will face to the South.
- **Stockpiled** topsoil will be placed on the east side of location, for **further** use during reclamation.

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9. Interim and Final Reclamation

- Rehab of the location will start within 6 months of completion.
- Mesquite will reclaim 80' from the south side and 80' from the **east** side of location once drilling and completion operations have **ceased**. See attached diagram for reclamation.
- In areas planned for interim and final reclamation, caliche will **be** removed from surface and returned to a mineral pit or recycled **to** repair or build roads and well pads
- Drainage Systems, if any will be reshaped to the original configurations with provisions made to alleviate erosion. These **may** need to be modified in certain circumstances to prevent inundation of the locations pad and surface facilities. After the area has been **shaped** and contoured, topsoil from the stockpile located on the east side of location will be placed over the disturbed area to the extent **possible**. Revegetation procedures will comply with BLM standards.

10. Surface Ownership

- The well site is on surface owned by the Bureau of Land Management, 620 E Greene St. Carlsbad, NM 88220. 575-234-5972
- The land is mainly used for grazing of cattle, oil and gas production, and recreational use.

11. Other information

- Topography consists of mostly flat sandy plane. Vegetation is **mostly** mesquite, and shin oak.
- Archeological survey completed and report filed with BLM
- There are no known dwellings within 1 ½ mile radius
- Existing production and water wells within 1 mile radius
  - ❖ Existing wells- 4
  - ❖ Water wells-0

12. Operations Field Rep-Drilling and Completion

- Responsible for compliance with development plan for surface **use** and reclamation.

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**Station SWD #1**  
Mesquite SWD, Inc  
Unit F, Sec. 7, T24S-R32  
Lea Co. NM

Operator's Representative

Kay Havenor  
904 Moore Ave  
Roswell, NM 88201-1144  
Phone: (575) 626-4518

**CERTIFICATION:** I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 28th day of December, 2015

NAME: *Kay Havenor*  
Kay Havenor

**TITLE:** Geologist

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**FIELD REPRESENTATIVE:** Same as above