

 Roadrunner Oil & Gas LLC
 SURFAC

 Wile E Coyote Federal 26-33-20 1H
 SHL: 220' FSL & 950' FWL Sec. 20, T. 26 S., R. 33 E.

 BHL: 250' FNL & 550' FWL Sec. 20, T. 26 S., R. 33 E.
 Lea County, New Mexico

Surface Use Plan

1. DIRECTIONS & EXISTING ROADS (See MAPS 1-6, 8, & 10-12)

From the junction of NM 18 and NM 128 in Jal...

Go West 14.1 miles on NM 128 to the equivalent of Mile Post 38.4 Then turn left onto County Road 2 (aka Madera Road, aka Battle Axe Road) Go Southwest 13.3 miles on County Road 2 to the end of the pavement Then bear right and go West 0.3 miles on caliche County Road 2 Then turn left and Southwest 4.0 miles on caliche County Road 2 Then turn right and go West 1.0 mile on caliche County Road 2 Then turn right and go North 0.4 mile on a caliche Chevron road Then turn right and go East 138' cross country to the proposed pad

Roads will be maintained to a standard at least equal to or better than their present condition.

This APD is also doubling as a plan of development for an accompanying BLM road right-of-way application. Application covers 20' x 4,100' (= 1.88 acre) of road in N2NW4 & SWNW 29-26s-33e, Lea County. Road includes \approx 1973' existing road, \approx 1700' road proposed by Chevron for its Salado Draw 29 wells, and \approx 427' road proposed by Newfield to access its proposed central tank battery (CTB).

2. ROAD TO BE BUILT OR UPGRADED (See MAPS 4-6, 8, & 10-12)

Approximately 138' of new road will be built to the pad. The new road will be crowned, have a 14' wide driving surface, and be surfaced with caliche. Maximum disturbed width = 20'. Maximum grade = 1%. Maximum cut or fill = 2'. No culvert, cattle guard, or turn out is needed. Upgrading of the existing road will consist of filling potholes with caliche.



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Approximately 2,165' of new road will be built to the CTB. (Chevron may have built the first \approx 1,700' for access to its proposed Salado Draw 29 wells by the time Roadrunner starts construction.) The road will be crowned, have a 14' wide driving surface, and be surfaced with caliche. Maximum disturbed width = 20'. Maximum grade = 3%. Maximum cut of fill = 3'. No culvert, cattle guard, or turn out is needed.

Approximately 3,600' of jeep trail will be upgraded and $\approx 150'$ of new road will be built for access to the proposed frac pond. The $\approx 3,750'$ of road will be crowned, have a 14' wide driving surface, and be surfaced with caliche. Maximum disturbed width = 20'. Maximum grade = 5%. Maximum cut of fill = 3'. No culvert, cattle guard, or turn out is needed.

3. EXISTING WELLS (See MAP 3)

There are oil wells and P & A wells within a 1-mile radius. There are no water, gas, disposal, or injection wells within a mile.

4. PROPOSED PRODUCTION FACILITIES (See MAPS 3 & 6-9)

A. 3.75 acre central tank battery will be built in the SESW 20-26s-33e. The CTB will initially be used for frac tanks during the completion of the well. 729' long pipelines will connect the pad and CTB. If a pipeline operating pressure will exceed 125 psi, then that pipeline will be buried. The pipeline route will not be used as a road.

5. WATER SUPPLY (MAPS 10-12)

Water will be piped via a temporary surface pipeline from water well C 02285 on private land in 3-26s-33e to the frac pond and then via a second similar pipeline to the well.



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6. CONSTRUCTION MATERIALS & METHODS

NM One Call (1-800-321-ALERT) and Chevron will be notified before construction starts. Topsoil and brush will be stockpiled north of the pad. V door will be to the east. A closed loop drilling system will be used. Caliche will be bought and hauled from an existing approved caliche pit. Dirt contractor will be responsible for caliche.

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage. It will be hauled to a county landfill. There will be no trash burning. Contents (drill cuttings, mud, salts, and other chemicals) of the mud tanks will be hauled to state approved disposal sites. Human waste will be disposed of in chemical toilets and hauled to an approved dump station.

8. ANCILLARY FACILITIES

There will be no airstrip or camp. Camper trailers will be on location for the company man, tool pusher, or mud logger.

9. WELL SITE LAYOUT

See MAP 5 and the rig diagram for depictions of the well pad, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. RECLAMATION

Interim reclamation will consist of removing caliche from and reducing the pad footprint by 70% to a \approx 200' x \approx 245' area surrounding the wellheads and



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anchors, while leaving enough space for safe work operations and equipment. Disturbed areas will be contoured to a natural shape and no steeper than 3:1. Topsoil will be evenly spread over disturbed areas. Seeded areas will be ripped and/or harrowed. A BLM approved seed mix will be sown in a BLM approved manner. Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. Once the well is plugged, then the remainder of the pad will be similarly reclaimed. Noxious weeds will be controlled.

11. SURFACE OWNER

Most construction will be on BLM.

Part of the frac pond road (\approx 2,200' in N2NW4 Section 21) and \approx 3/4 mile temporary surface water pipeline (SESE Section 9, SWSW Section 10, & N2NW4 Section 21) will be on private land owned by Oliver Kiehne, P. O. Box 135, Orla, TX 79770. His phone number is (432) 448-6337.

Water source (SESE Section 3) and $\approx 1-1/4$ mile of temporary surface water pipeline (SESE Section 3 and N2NE4, SWNE, NWSE, & E2SW4 Section 10) will be on land owned by Dinwiddie Cattle Company LLC, P. O. Box 374, Roswell, NM 88252. Their phone number is (575) 631-0385.

Remainder (\approx 6,200') of the temporary surface water pipeline will be on NM State Land Office land (E2NE4, SWNE, W2SE4, & SESW Section 16). Their address is P. O. Box 1148, Santa Fe NM 87505. Their phone number is (505) 827-5842. A right of entry will be filed with the State.

12. OTHER INFORMATION

The nearest hospital (Lea Regional Medical Center) is a $\approx 1-1/2$ hour drive away on the north side of Hobbs at 5419 N. Lovington Highway. Phone number is (575) 492-5000.



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On site inspections were conducted with Trish Bad Bear (BLM) on June 25 and July 30, 2014.

Lone Mountain submitted archaeology report NMCRIS 131287 on August 8, 2014.

Roadrunner will coordinate road use in Section 21 with Mewbourne and surface owner Oliver Kiehne. If Roadrunner is unable to cross Mewbourne's recently approved El Mar 21 A3DM Federal Com 1H (30-025-42095) at 175 FNL and 500 FWL because of Mewbourne's operations, then Roadrunner will build a temporary road in the \approx 60' gap between the north edge of Mewbourne's pad and the section line fence to the north.



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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 <u>21st</u> day of <u>September, 2014</u>.

Brian Wood, Consultant Permits West, Inc. 37 Verano Loop, Santa Fe, NM 87508 (505) 466-8120 FAX: (505) 466-9682

Cellular: (505) 699-2276

Field representatives will be:

Mark Beach, Drilling Manager

Buddy Novak, Operations Engineer

Office: (281) 674-2019 Mobile: (281) 546-7665

Office: (281) 674-2449 Mobile: (713) 254-5418



To Whom it May Concern:

Roadrunner Oil & Gas LLC has private surface owner agreements with Dinwiddie Cattle Company LLC (P. O. Box 374, Roswell NM 88202) to lay a surface water pipeline across Sections 3 & 10, T. 26 S., R. 33 E. and with Oliver Kiehne (P. O. Box 135, Orla TX 79770) to lay surface water pipelines and upgrade a road in Sections 9, 10, & 21, T. 26 S., R. 33 E. All Lea County, NM.

Brian Wood

