

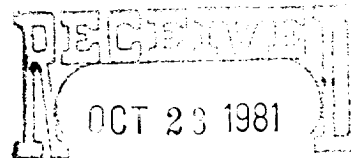
Anadarko
PRODUCTION COMPANY

P. O. Box 87 • Loco Hills, New Mexico 88255 • (505) 677-2411

A
Panhandle
Eastern
Company

October 20, 1981

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

Gentlemen:

Following is the "Surface Use and Operation Plan" for the drilling of Anadarko Production Company's Arnold Federal Com. No. 1 located 1980' FN&ELs Section 34, T17S, R30E, Eddy County, New Mexico.

1. Existing Roads - A map is attached showing the location of the subject well in relation to Loco Hills, New Mexico Townsite. (see Exhibit #1)

A second map (Exhibit #2) shows County Road #139 (hard surfaced) in heavy black. The existing caliche lease roads are shown in orange. The nearest caliche road is now located approximately 1900' North of this drill site.

2. Planned Access Roads - A 12' wide caliche road is to be built between this drill site and an existing caliche road which is approximately 1900' North. The proposed new road is shown as a dashed blue line on Exhibit #2. There will be no fence to cut or cattleguard to set.

3. Location of Existing Wells - All existing wells on the lease are indicated on the enclosed maps. (see Exhibits #1 & #2). There are no exploratory wells being drilled within a two mile radius.

4. Location of Tank Batteries, Production Facilities and Lines - Tank Battery is indicated on a separate attached plat. (see Exhibit #3). The drilling pad will be converted into the production pad where all production facilities, tank battery and lease lines will be located.

5. Location and Type of Water Supply - Fresh water, Ogallala, used at the drilling site will be furnished by Arwood, Inc. and trucked to the location by I & W Trucking from their tap in Loco Hills.

Salt water used while drilling from 400' - 3200' and from 8000' to T D (11,600') will be trucked by I & W Trucking Company from a source located approximately 10 miles Southwest of Loco Hills (B & E) or from Carlsbad (Champion Chemicals). Both sources have commercial brine water.

6. Source of Construction Material - All caliche will be hauled from two existing caliche pits: (1) located in SE/4 SW/4 Sec. 21, T17S, R30E and (2) NE/4 SW/4 Sec. 34, T17S, R30E, Eddy County, New Mexico.

Both of these pits have been cleared by archaeological studies.