

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

CITIES SERVICE COMPANY
WELL NO. 1 FEDERAL "M"
330' FSL & 990' FEL, SECTION 21-19N-5W
MCKINLEY COUNTY, NEW MEXICO
FEDERAL LEASE NO. NM-26658

This plan is submitted with the Application for Permit to Drill the captioned well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operation plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation, so that a complete appraisal can be made of the environmental effects associated with the operation.

The well has been staked by Mr. Fred Kerr, a Registered Land Surveyor and the work area and access road have been staked and flagged. Mr. Bill Naylor with the San Juan Community College in Farmington has been commissioned to make an Archaeological survey of the work area and access road. His findings concerning cultural resources will be reported to the Bureau of Land Management in Farmington, New Mexico.

1. Existing Roads

A portion of a McKinley County highway map is attached which shows the proposed location in relation to the towns of Cuba and Torreon, New Mexico and the existing road system leading into the area.

Direction to Location:

Start at Torreon which is 27 miles southwest of Cuba, New Mexico. From Torreon go northwesterly 7 miles to a gate on the right and a large pink water storage tank. About 100 yards before coming to the water tank, turn right and follow the old road 2.7 miles. Turn right on an existing road and continue past newly completed well Federal "E" No. 1, thence northeasterly 700' to location.

2. Planned Access Road

- A. Dirt contractor will grade the 2.7 miles of old road and 0.9 mile of new road to Cities Service Company's Federal "E" No. 1. The proposed new access road from that point to the new location will be 12' wide and approximately 700' long. See attached vicinity map.
- B. Surfacing material: The roadway will be bladed, watered and graded. There may be some spots that will need to be topped with local red rock. The work area will be topped with red rock if necessary.

Planned Access Road - cont.

- C. Maximum grade: The terrain is rolling. Maximum grade 3%.
- D. Turnouts: None needed.
- E. Drainage design: Access road will have a drop of 6 inches from center line to each side.
- F. Culverts: None needed.
- G. Cuts and fills: Location will need to be leveled as shown on attached profile prepared by Kerr Land Surveying 6-30-80.
- H. Gates and cattleguards: None required.

3. Location of Existing Wells

Existing wells within a two mile radius of our proposed Federal "E" No. 1 are spotted on the third attached plat.

4. Location of Existing and/or Proposed Facilities

There are no existing facilities in the area.

Proposed production facilities will be set on the drilling pad approximately 150 feet from the well. The equipment will consist of a heater treater and two 500 barrel tanks to store crude oil and one 500 barrel tank to store produced water. All equipment will be fenced with a chain link fence and painted in accordance with BLM stipulation.

5. Location and Type of Water Supply

A fresh water mud system will be used to drill this well and fresh water will be purchased and trucked to the well site over existing and proposed roads.

One source of supply is Entrada produced water available in Section 15 to the north from Dome Petroleum Corp's tank battery in the Papers Wash Pool.

Another source is at the Pueblo Alto Trading Post and a third source is Chapman's water hole at Escrito on Highway 44.

6. Source of Construction Material

Red Rock for the access road and well pad will be purchased and hauled by the dirt contractor from the nearest possible source.

7. Methods of Handling Waste Disposal

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be collected and buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by wind.
- F. All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities

None Needed.

9. Well Site Layout

A plat of the well site is attached which shows dimensions of well pad, mud pits, reserve pit and location of major rig components.

10. Plans for Restoration of the Surface

- A. After completion of the well, all equipment not needed for operations will be removed.
- B. All unattended pits containing liquids will be fenced and the liquid portion allowed to evaporate before the pits are broken and backfilled.
- C. All waste associated with the drilling operation will be buried in place in a separate pit. Garbage and debris will be buried at least 3 feet deep.
- D. Surface restoration will be in accordance with the requirements of the Bureau of Land Management.

Plans for Restoration of the Surface - cont.

- E. The well site, if a producer, will be maintained and kept clean of all trash and litter or other foreign material which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practices.

After the well site is cleaned and pits backfilled, any obstruction to the natural drainage will be corrected by ditching and/or terracing. All disturbed area, including any access road no longer needed, will be ripped and sown in grass seed recommended by the BIM.

11. Other Information

- A. Topography: Terrain is rolling and broken. Drainage is to the north into "Papers Wash".
- B. Soil: Thin fine sandy soil with numerous Red Rock outcrops.
- C. Flora and Fauna: Vegetative cover is sparse sage and native grasses. No trees. Wildlife in the area includes coyotes, rabbits, rodents, reptiles, dove, quail and deer.
- D. Ponds and Streams: No streams or ponds were noted in the area.
- E. Residences and Other Structure: None noted in the immediate area.
- F. Archaeological, Historical and Cultural Sites: None observed. Mr. Bill Naylor with the San Juan Community College in Farmington, New Mexico has been engaged to make a survey of the well pad and access road.
- G. Land Use: Ranching.
- H. Surface Ownership: The well site and access road are all on Federal surface administered by the BIM.

12. Lessee's or Operator's Representative:

Cities Service Company's representative responsible for assuring compliance with the approved surface use and operation plan is:

E. Y. Wilder
Cities Service Company
Region Operations Manager
P.O. Box 1919
Midland, Texas 79702

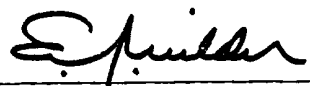
Office Phone: 915/685-5751
Home Phone: 915/694-8626

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and, that the work associated with the operations proposed herein will be performed by Cities Service Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date

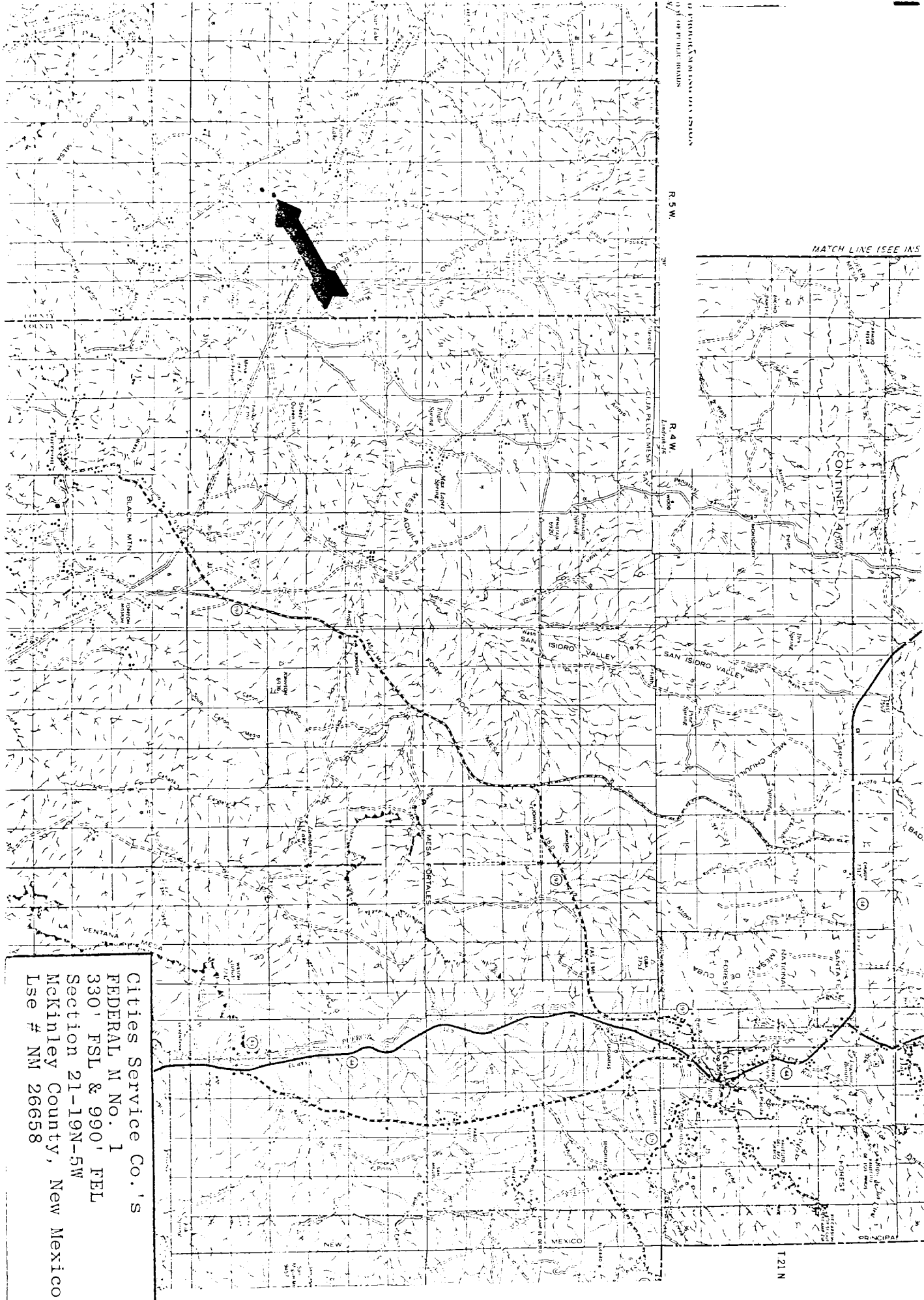
7/8/80


Region Operations Manager

Please contact me at the above address if further information is needed to properly evaluate this proposal.

EYW/dtd

attachments



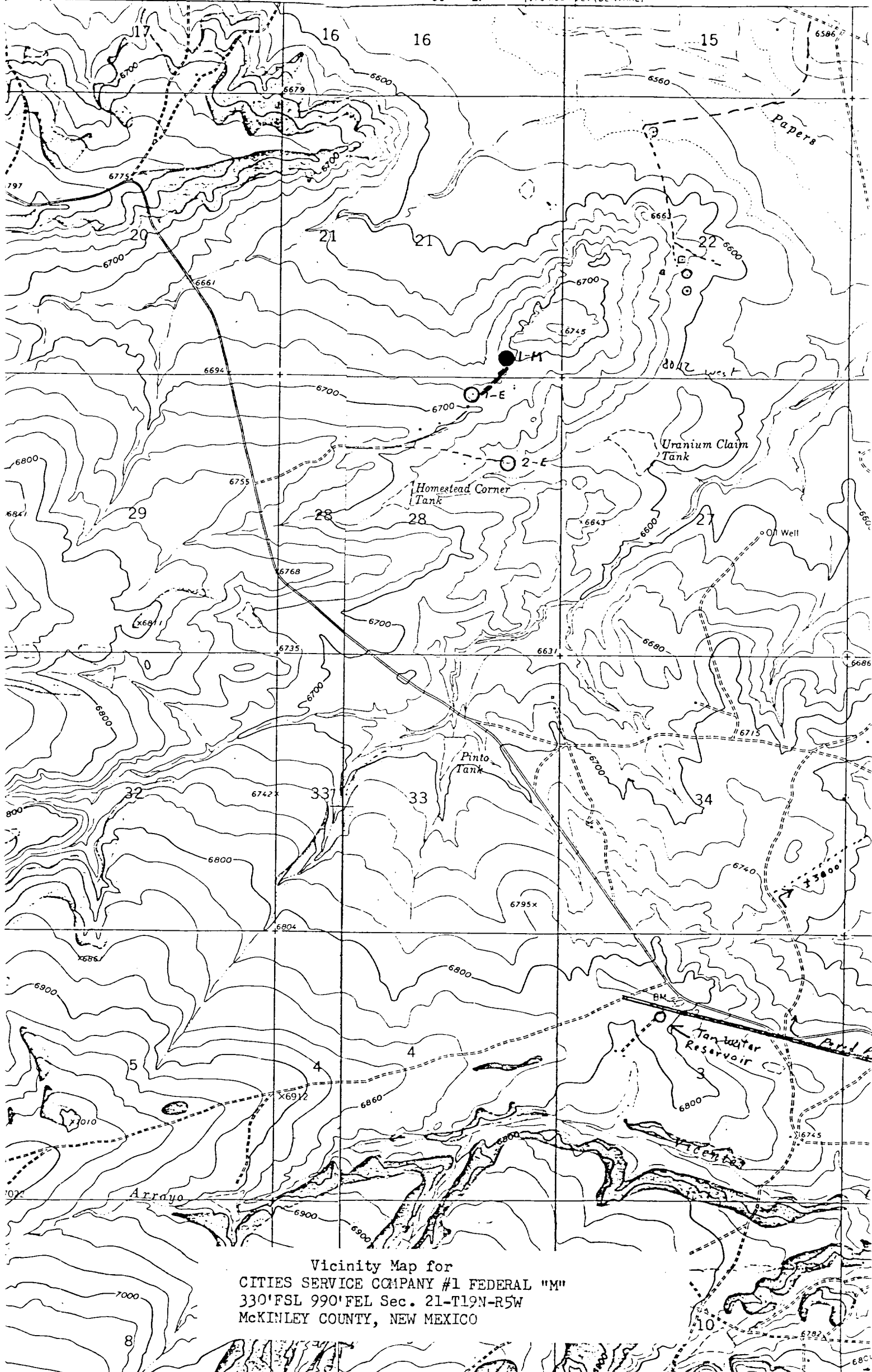
Cities Service Co.'s
FEDERAL N No. 1
330' FSL & 990' FEL
Section 21-19N-5W
McKinley County, New Mexico
Lse # NM 26658

1630 000 FEET

107°23'0"

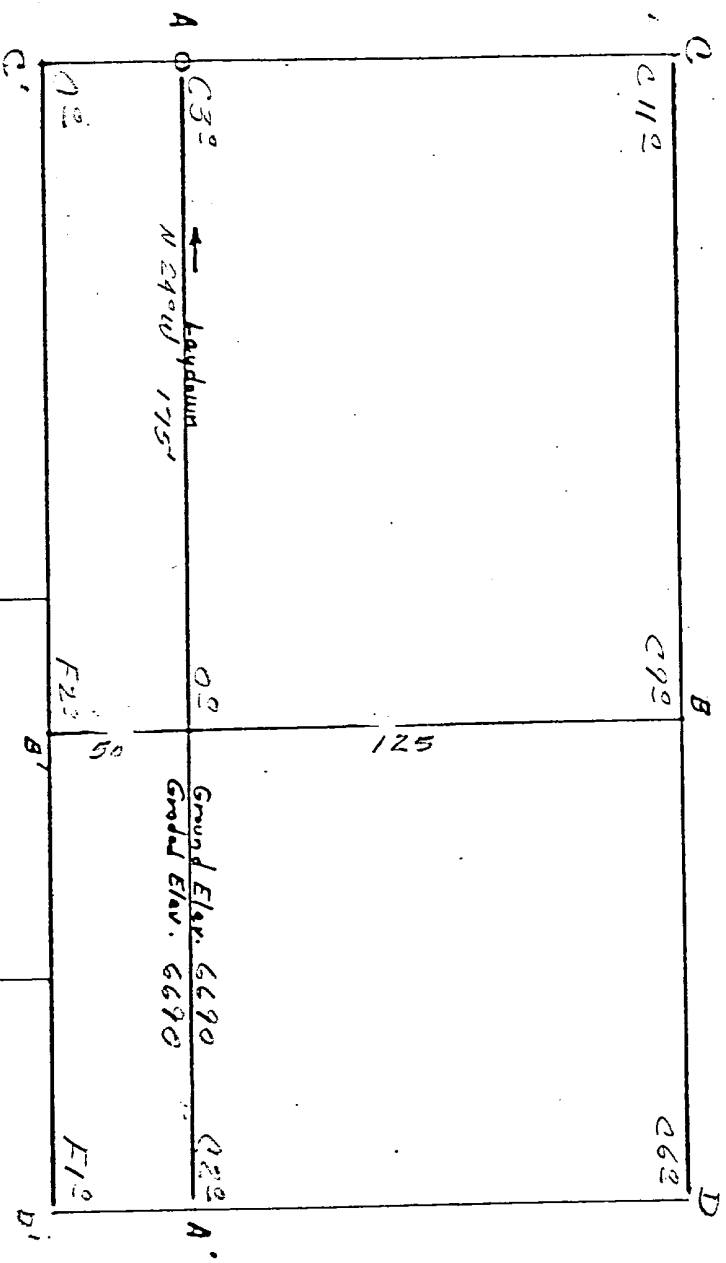
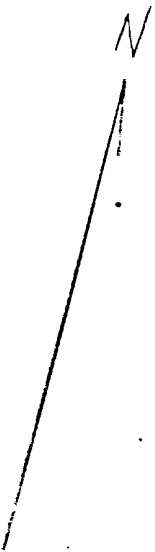
286000m. E.

170 000 FEET (CENTRAL)



Vicinity Map for
CITIES SERVICE COMPANY #1 FEDERAL "M"
330'FSL 990'FEL Sec. 21-T19N-R5W
MCKINLEY COUNTY, NEW MEXICO

CITIES SERVICE COMPANY #1 FEDERAL M
 330' FSL 990' FEL Sec. 21-T19N-R5W
 MCKINLEY COUNTY, NEW MEXICO



Vert. 1"=40' A-A' Horiz. 1"=100'

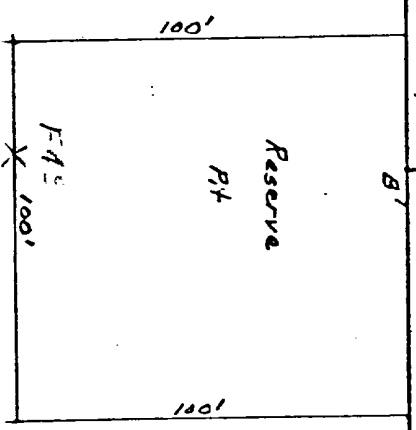
6700				
6690				
6680				

B-B' ‡

6700				
6690				
6680				

Reserve

Rt



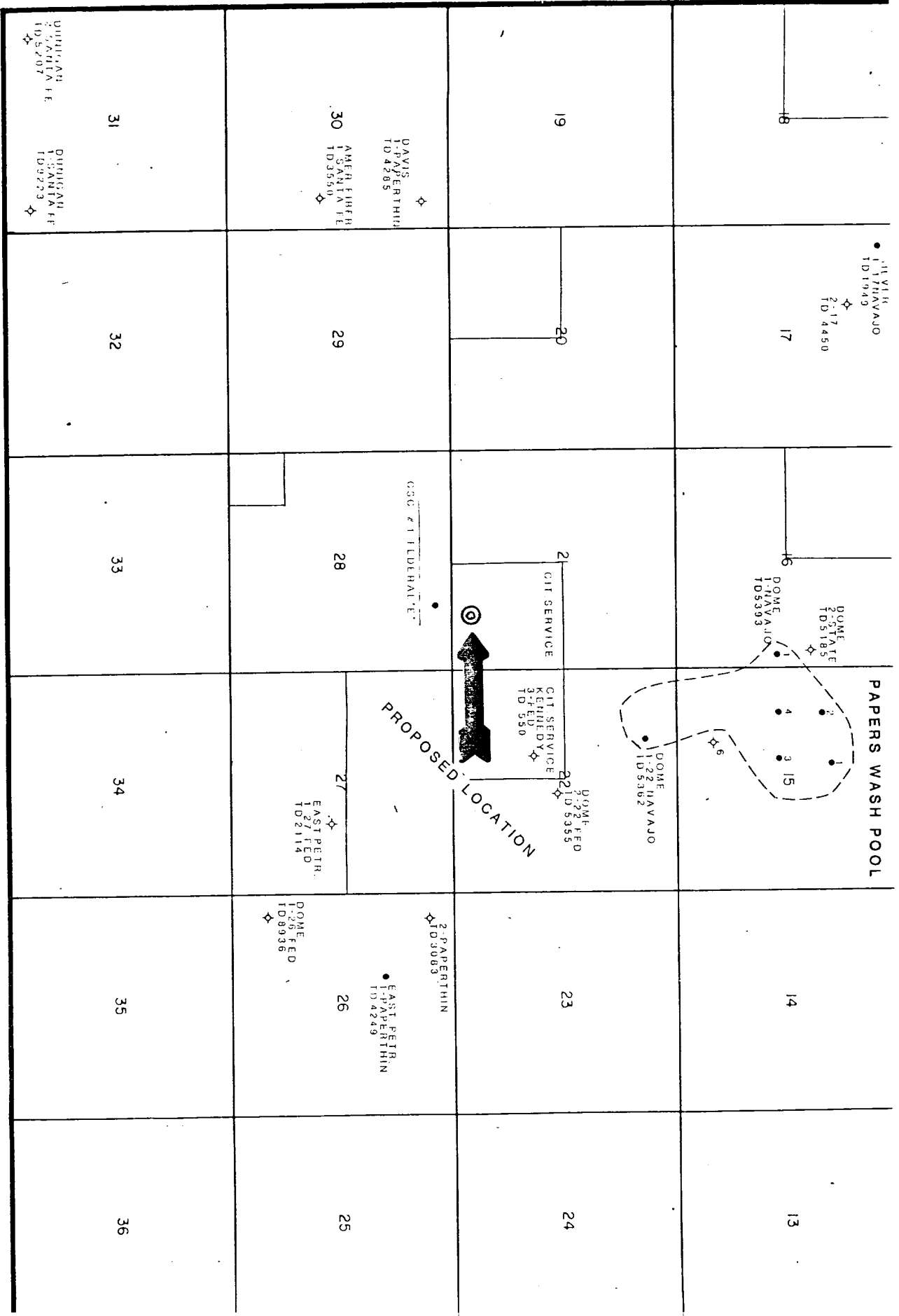
Vert. 1"=40' C-C' Horiz. 1"=100'

6700				
6690				
6680				

D-D' ‡

6700				
6690				
6680				

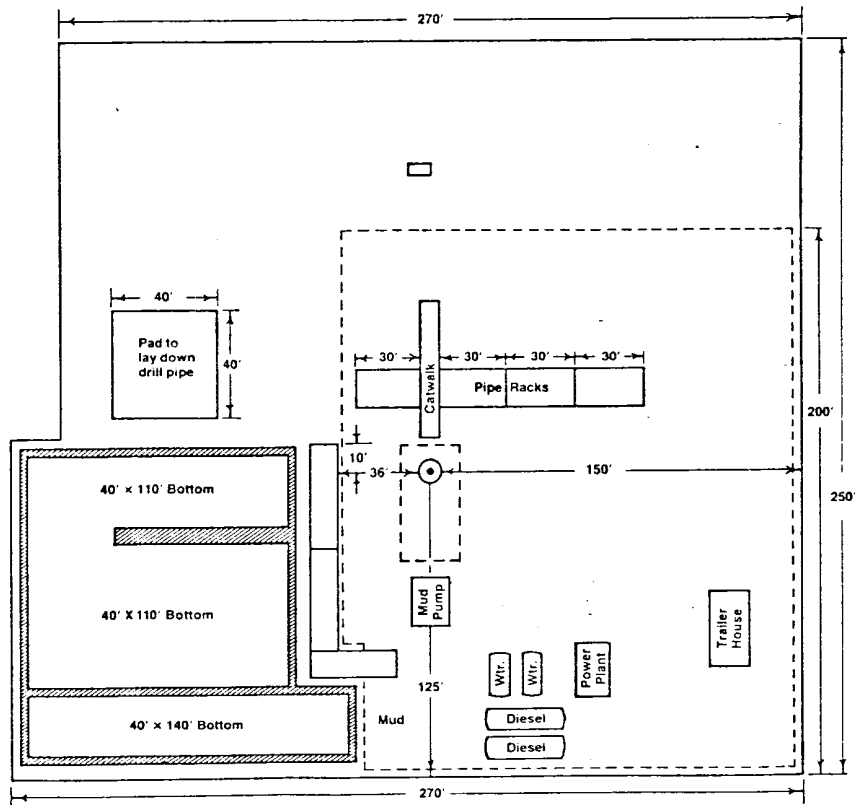
19.2



R. 5 W.

Cities Service Co.'s
FEDERAL M No. 1
330' FSL & 990' FEL
Section 21-19N-5W
McKinley County, New Mexico
Use # NM 26658

LOCATION PLAT



Cities Service Co.'s
 FEDERAL M No. 1
 330' FSL & 990' FEL
 Section 21-19N-5W
 McKinley County, New Mexico
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