

YATES PETROLEUM CORPORATION - ROBINSON "HW" FEDERAL NO. 1
1980' FSL & 1980' FWL, Section 25-16S-24E, Eddy County, New Mexico

Surface Use Plan to Accompany "Applications to Drill, Federal Lease".

1. EXISTING ROADS: See Plat (Exhibits A & B) From Artesia go 11.5 miles west on U.S. 82, then north 3 miles on county road, then east 3 miles on ranch road to fence. Propose to cut fence and install cattleguard, then proceed east for 0.4 mile on existing ranch road.
2. PLANNED ACCESS ROADS: See Plat (Exhibits A & B) Propose to go north for approximately 1900' with 12' wide road to location, having 1 or 2 turnouts. Will blade and water roadway.
3. LOCATION OF EXISTING WELLS: See Plat (Exhibits A & B) This well is a wildcat. Will be drilling a deep test 1 mile SW of this location about the same time as this test well. Nearest producer is 3 miles ENE. There are several dry holes to SW and SE, also several windmills within a 2 mile radius of this location.
4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) If a producer, production facilities will be on south side of pad with 2" steel lines above ground.
5. LOCATION AND TYPE OF WATER SUPPLY: See Plat (Exhibit B) Drilling water will be trucked from any available commercial source.
6. SOURCE OF CONSTRUCTION MATERIAL: See Plat (Exhibit B) Much of surface is broken rock and there is an open caliche pit in NE corner of Section 27-16S-24E which has been used as a caliche source for the county road.
7. METHODS FOR HANDLING WASTE DISPOSAL: See Plat (Exhibit C) Well cuttings will be disposed of in the reserve pits; mud sacks, paper & garbage will be burned; garbage will be accumulated in trash barrels and disposed of by burning or buried three feet in the burn pit. If productive, produced water will be collected in a tank and hauled away.
8. ANCILLARY FACILITIES: None.
9. WELL SITE LAYOUT: (rig, tanks, pits, racks, etc.) See Sketch (Exhibit C) Exhibit C shows position of drill pad, rig, reserve pits, burn pit, mud pits, jet sump, pipe racks, pumps, water tanks. Pad size - ~~270~~' X ~~220~~'; cut and fill is negligible. Surfaced with native rock, caliche as needed. Reserve pit - ~~60~~' X ~~90~~', plastic-lined. Pad is flagged with red tape; Pit area is flagged with blue tape.
10. PLANS FOR RESTORATION OF SURFACE: If well is productive, pits will be fenced until dry, then back-filled and levelled as soon as practical. Location will be cleaned, all excess material removed from location. Upon abandonment, location will be cleaned and levelled or restored in compliance with BLM stipulations, the cattleguard will be removed and the fence closed.
11. OTHER INFORMATION: (a) Terrain is gently rolling with rocky outcrop draining to the north.
(b) Soil is sandy loam & rocky.
(c) Vegetation consists of prairie grass, filaree, yucca, broomweed and cactus.
(d) There are no ponds or streams in the area. The nearest windmill or water well is located 1.2 miles SE.
(e) The nearest residences or buildings are located 3 miles to the south.
(f) Surface use is grazing.
(g) The effect on the environment will be minimal; drillsite is in semi-arid desert country, wind-blown and natural re-seeding.
(h) Surface ownership is BLM with grazing rights to Tom Loyd (deceased), Artesia, NM.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVES: Eddie Mahfood or James Jonas, 207 South Fourth Street, Artesia, NM. Phone: 746-3558.
13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite 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 Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date

4-17-77

Name and Title

Eddie L. Mahfood, Super.

RECEIVED

APR 20 1977

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ARTESIA, NEW MEXICO