

ANADARKO PRODUCTION COMPANY

P. O. BOX 200 67 LOCO HILLS, ARTESTA, NEW MEXICO 80810 88255 677-2411 LOCO HILLS EXCHANGE CABLE ADDRESS: ANDARK

September 25, 1973

United States Geological Survey P. O. Drawer U Artesia, New Mexico 88210

Gentlemen:

Following is the "Plan of Development" for the drilling of the Anadarko Production Company Ballard Grayburg San Andres Unit Tract No. 13 Well No. 3 located 20' FNL & 1200' FWL Section 5, Township 18 South, Range 29 East, Eddy County, New Mexico. This well is planned as a water injection well.

- 1. Existing Roads The existing lease roads are indicated by dashed lines on the attached plat. Hard surfaced Eddy County roads are indicated by a double straight line. Points of entrance from the hard surfaced roads are indicated.
- 2. Planned Access Roads Only approximately 650° of additional lease road is proposed. This will be 16° wide and it will be capped with 6" compacted caliche. This road is indicated on the plat as a dashed red line.
- 3. <u>Well Locations</u> All well locations are indicated on the attached plat.
- 4. <u>Lateral Roads to Location</u> Road information is covered in No. 1 and 2 above.
- 7 Tank Batteries The tank battery for the lease is already installed. It is indicated on the attached plat by a green dot. No tank battery will be required for this well since it is a proposed water injection well. The water injection plant is indicated on the plat as a red square. The proposed injection water distribution system is indicated by a yellow line.
- 6. Location and Type of Water Supply Water necessary for the drilling operations will be furnished through the injection water distribution system from the water injection plant. Water for this flood will be purchased from Double Eagle Water Company.