

Anadarko

PRODUCTION COMPANY

Ballard
Eastern
Unit

Loco Hills, New Mexico 88210 • (505) 677-2411

June 5, 1967

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

Gentlemen:

Following is the 'Surface Use and Operation Plan' for the drilling of Anadarko Production Company's Ballard Grayburg San Andres Unit Tract No. 10 Well No. 5 located 990' FNL & 730' FEL Section 8, T-1-S, R-29E, Loco Hills, New Mexico.

1. Existing Roads - A small scale map is attached (Exhibit #1). It shows the location of this well in relation to Loco Hills, New Mexico, townsite.

A larger scale map (Exhibit #2) shows State Highway #360 and County Road #139 in blue. The existing caliche lease roads are shown in orange. An existing road was previously built to this drill site for Ballard Unit Tract No. 10 Well No. 4 which was recently plugged and abandoned. We requested keeping the road intact for this well when the F & A subsequent report on #10-4 was filed.

2. Planned Access Roads - No access roads are needed since this location will include an existing caliche road. There will be no fence to cut or cattle-guard to set.

3. Location of Existing Wells - All existing wells on lease are indicated on enclosed map. There are no exploratory wells being drilled within a two mile radius.

4. Location of Tank Batteries, Production Facilities and Lines - There is a central tank battery on the Ballard Unit located in the SW/4 of NW/4 of Section 8, T-18S, R-29E. All production on the Ballard Unit is piped to this central tank battery. Existing lease lines to central tank battery shown in solid blue; proposed line to location in dashed blue on Exhibit #2.

5. Location & Type of Water Supply - Fresh water to be used at drilling site will be supplied by I & W Trucking Company of Loco Hills and will be hauled from our Ballard Unit Water Plant and from Double Eagle Water Company taps in the Loco Hills area.

6. Source of Construction Material - Since the drilling pad for Ballard #10-4 will be utilized and extended approximately 75' west, the reserve pit area should provide enough caliche for this extension.

7. Methods for Handling Waste Disposal - Enclosed drill site plat (Exhibit #4) indicates location of drilling pits, reserve pit and rubbish pit. After sufficient time has elapsed to allow drilling fluids to dry, all pits will be closed and leveled. The rubbish pit adjacent to drilling site will be deep enough to contain all rubbish when covered and leveled.