

Application for Permit to Drill Government "AB" No. 4

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lease roads and red shows the planned caliche road to the location. The new road will be 12' wide. Source of the caliche is from a pit located in the NW/NE Sec. 21-20S-28E. The pit is indicated on this map in red.

- B. Surfacing material: six inches of caliche, watered, compacted and graded.
- C. Maximum grade: 3 per cent.
- D. Turnouts: Two passing turnouts will be constructed at approximately 1320' and 2640' north of the starting point at the State "CV" No. 1. This construction will increase the width of the new road to 20' for a distance of 30'.
- E. Drainage design: new road will have a drop of 6" from center line to each side.
- F. Culverts: none needed.
- G. Cuts and fills: the new access road will need only minor levelling to prepare the road bed.
- H. Gates and cattleguards: none needed.

3. Location of Existing Wells.

Existing wells are shown on the ownership map.

4. Location of Existing and/or Proposed Facilities.

At each of the existing wells operated by Cities Service Oil Company in Eddy County, production equipment is set on the caliche drilling pad approximately 150' from the well. The equipment consists of two (or more) - 300 barrel tanks to collect condensate and water which is trucked to sale or disposal and a production unit (stack pack). The gas purchaser installs necessary gas measuring equipment and gathering system for gas. All equipment is fenced with chain link fence.

If the Government "AB" No. 4 is a producer, the same type and size equipment will be set on the drilling pad.