1980' FSL & 1980' FWL, Section 7-20S-29E, Eddy Co., New Mexico

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

- 1. EXISTING ROADS: See Plat (Exhibit A) From Artesia, go 9 miles east on U.S. 82, 4 miles southeast to Illinois Camp road, 12.8 miles south to Angel Ranch road, then east & south on caliche road for 3 miles, then east 4.2 miles, then north 1.4 miles to access road. County maintained road except in last ½ mile. Existing wire gate will be replaced w/cattlegaurd.
- 2. PLANNED ACCESS ROADS: See Plat (Exhibit A & B) Approximately 1000 feet long by 16 feet wide; bladed, caliched & watered. Drains gradual to south. No turnouts, no cuts or fills, no fence-cuts, no cattleguards or culverts needed. Center-line flagged.
- 3. LOCATION OF EXISTING WELLS: See Plat (Exhibit A) Several producing Morrow gas wells offsetting this location. There is a windmill and a vacant building ½ mile NW of this location. There are two large caliche pits (open) off existing road 2 miles SE of location.
- 4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) Tanks & separation facilities in south part of pad.
- 5. LOCATION AND TYPE OF WATER SUPPLY: Water to be trucked from any commercial available water source.
- 6. SOURCE OF CONSTRUCTION MATERIAL: Construction work to be down by Boyse Trucking Company, Artesia, NM. Caliche for surfacing the road and pad will be obtained from existing caliche pit on north side of existing road in SE SW Section 17-20S-29E.
- 7. METHODS FOR HANDLING WASTE DISPOSAL: See Sketch (Exhibit C) Steel pits for mixing mud, reserve pits for drilling mud & cuttings, burn pit for trash & garbage, jet sump for engine oil & cellar mud, barrels for garbage, small sump for portable commode. Drilling fluids will be allowed to evaporate in reserve pits until dry. Wellsite will be leveled & cleaned up after rig is moved out.
- 8. ANCILLARY FACILITIES: None applicable.
- 9. WELL SITE LAYOUT: (a) The relative location & dimensions of the well pad, rig, tanks, pits, racks, etc. are shown in Exhibit C. (b) No cut & fill necessary, only minor levelling. (c) Reserve pit to be plastic-lined. (d) The pad & pit area have been staked.
- 10. PLANS FOR RESTORATION OF SURFACE: After completion, all equipment and other material not needed for operations will be removed. Pits will be fenced until dry, then leveled. Junk & trash will be buried with 3 foot of cover or removed to an approved disposal. After abandonment, location will be restored to as near original as possible or will comply with BLM rehabilitation requirements.