

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

1. EXISTING ROADS: See Plat (Exhibits A & B) From Artesia, go approximately 18 miles South on U. S. 285 (to Seven Rivers), then west & southwest 12 miles and west 8 miles to end of black-top. Take caliche road (on right) at wrecked car and go west 8 miles to "Y" at little box canyon, then right-fork for 3 miles to Citgo-Little Box #1, then ranch road northeast from south side of pad for 2.1 miles, flagged. Approximately 1.8 miles to be caliched & watered, and a cattleguard will be placed in fence 0.4 mile from Citgo-Little Box #1.
2. PLANNED ACCESS ROADS: See Plat (Exhibits A & B) Location is approximately 500 feet south of existing ranch road but hilly. Propose to start access road 500 feet east and 300 feet north from location, approximately 800 feet of new road, 12 feet wide, bladed and watered, no caliche needed.
3. LOCATION OF EXISTING WELLS: See Plat (Exhibit B) There are three producing gas wells $1\frac{1}{4}$ - $2\frac{1}{4}$ miles southwest of this location. The nearest windmills are 3 miles west and 3 miles south of the location.
4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) The tank battery will be on the south side of the pad, separation facilities on the west side, and flowlines will be 2" steel on the surface.
5. LOCATION AND TYPE OF WATER SUPPLY: Water will be trucked to location from any available commercial source via existing roads and access road.
6. SOURCE OF CONSTRUCTION MATERIAL: (See Exhibit B) There is a caliche source on the west side of the ranch road in NE NE NW of Section 8-21S-22E some 300-400 feet southwest of the $\frac{1}{4}$ - section flag on the north section line of 8-21S-22E. Sweatt Construction Co. of Artesia advises me of tentative approval from BLM. An old pit located in NW SE of Section 13-21S-21E is reported as closed by BLM.
7. METHODS FOR HANDLING WASTE DISPOSAL: (See Exhibit C) Steel pits for mixing mud; reserve pit for engine oil & trip mud; small sump for portable commode; trash barrels for house-cleaning and final disposal in burn pit.
8. ANCILLARY FACILITIES: None.
9. WELL SITE LAYOUT: (rig, tanks, pits, racks, etc.) See Sketch (Exhibit C) (a) Well site is on an eroded hillside with gradual slopes draining to north and west;
(b) Will cut 1-2 feet from north and west side of pad to fill north-east corner;
(c) The reserve pit will be plastic-lined and covers an area of 90' X 120';
(d) The pad (180' X 270') with apron (40' X 130') will require very little caliche after cut and fill, and will be watered and compacted. The rig V-door will face the east.
10. PLANS FOR RESTORATION OF SURFACE: (a) After drilling and completion all equipment and materials not needed for continued operations will be removed.
(b) Pits will be fenced until dry, then filled or levelled, and location will be cleaned.
(c) After abandonment, location will be cleaned and any special rehabilitation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible.
11. OTHER INFORMATION: (a) Soil is broken rock with thin alluvium fill (wind blown).
(b) Vegetative cover consists of prairie grass, cactus, lechuguilla, thistle, and greasewood. Wildlife include rabbits, reptiles and occasional deer, doves and hawks.
(c) There are no rivers or streams in the area; the nearest water-hole is an earthen tank in NW NE of Section 8-21S-22E at the corral on the east bank of the draw.
(d) Land use is grazing and hunting in season.
(e) Surface ownership is believed to be BLM with grazing permit to J. W. (Bill) Gissler of Artesia, NM.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVE: Eddie Mahfood or Jim 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

3-1-77

Name and Title

Eddie L. Mahfood, Engr.

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MAR 01 1977
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ARTESIA, NEW MEXICO