

Surface Use Plan to accompany Form 9-331C, Application to Drill.

1. EXISTING ROADS: See Exhibit A. Approximately 19.2 miles south of Artesia on U. S. 285, turn west on Marathon Plant road. Continue SW for approximately 12.7 miles until the road dead ends at a stop sign. Turn right (west) and continue for approximately 7.95 miles, then turn right onto a dirt road (at the point where there is a wrecked car at the side of the road). Continue for approximately 7.85 miles to a fork in the road and take the left fork (there is a tank off to the right at this point). Continue for approximately 1.65 miles to the trail on your left which goes SW up Box Canyon. Location is approximately 1/4 mile up this trail.
2. PLANNED ACCESS ROAD: See Exhibits A & B. Approximately 0.25 miles of road building 12' wide, with 1 or 2 turnouts. The route of this road is indicated in red on Exhibits A & B.
3. LOCATION OF EXISTING WELLS: See Exhibit B. There are 3 gas wells within approximately a 2 mile radius, in sections 11 and 13-T21S-R21E and one drilling well 3/4 mile to the NE in 14-21S-21E.
4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Exhibit C. Tank battery will be built on the southern portion of the pad.
5. LOCATION AND TYPE OF WATER SUPPLY: The well will be drilled with a fresh water system. Water will be obtained from a commercial source and will be hauled to the location by truck over the existing and planned access roads shown in Exhibits A & B.
6. SOURCE OF CONSTRUCTION MATERIAL: Caliche will be obtained from an existing pit on federal surface in section 19-T21S-R21E, approximately 1.7 miles from the starting point of the proposed new access road.
7. METHODS FOR HANDLING WASTE DISPOSAL: Steel pits for mixing mud; reserve pit for circulating mud and cuttings; burn pit for burning mud sacks & garbage; jet sump for engine oil & trip mud; small sump for portable commode; trash barrels for house-cleaning.
8. ANCILLARY FACILITIES: None.
9. WELLSITE LAYOUT: (rig, tanks, pits, racks, etc.) See Exhibit C.
 - (a) Fairly level terrain draining to north.
 - (b) Will make a 4-5' cut from south end of pad to fill & level drainage anomalies on north side of pad.
 - (c) Reserve pit will be plastic-lined to hold drilling fluid.
 - (d) Pad & pit area has been flagged.
10. PLANS FOR RESTORATION OF SURFACE: After drilling & completion operations, all equipment and material not needed for operations will be removed. Pits will be fenced until dry, then filled or leveled and location will be cleaned. After abandonment, location will be cleaned. No re-vegetative program required on account of wind erosion and natural re-seeding.
11. OTHER INFORMATION:
 - (a) Location is on flat part of ridge sloping gradually into Box Canyon.
 - (b) Thin rocky soil underlain by caliche.
 - (c) Desert flora includes cactus, mesquite, yucca, greasewood and interspersed range grass. Wildlife is rodents, reptiles and some deer.
 - (d) No rivers or lakes in the area.
 - (e) Nearest structure is a windmill approximately 2 miles north.
 - (f) Land use: grazing & hunting.
 - (g) Surface believed to be BLM ownership w/grazing privileges to Armstrong & Armstrong Cattle Co., Roswell, NM.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVE: Eddie Mahfood or Leon Bergstrom, 207 South Fourth St., Artesia, NM, 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.

June 26, 1977

Eddie L. Mahfood, Engineer