

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Cities Service Company
Well No. 1 Government "AL"
660' FNL and 1980' FEL, Section 17-20S-28E
Eddy County, New Mexico
Lease No. NM-17220

RECEIVED
OCT 27 1990
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal may be made of the environmental effects associated with the operation.

The well has been staked by a Registered New Mexico Land Surveyor and the work area and access road are staked and flagged. Dr. J. Loring Haskell has been engaged to make an Archaeological Reconnaissance of the work area and access road. His findings concerning cultural resources will be reported to the Bureau of Land Management.

1. Existing Roads

A portion of an Eddy County highway map is attached showing the location of the well as staked. The existing road system and the well site are shown in relation to the City of Carlsbad, New Mexico.

To further identify the location, the well is spotted on a copy of a USGS "Oil City, New Mexico" Quadrangle map, which also shows the existing road system and proposed access road.

Directions to Location:

Starting point is the intersection of Canal and Orchard Streets in the north part of Carlsbad, New Mexico.

Go north 10.5 miles on black topped State Highway #239 to the Angell Ranch turnoff. Go east 1.6 miles on caliched county road past the Angell Ranch headquarters. The caliched road turns south at this point.

Follow caliched road 0.35 miles south. At this point the planned access road will start, turning west 600' into the southeast corner of the drilling pad.

2. Planned Access Road

- A. The planned access road is staked and flagged. New road required will be 12' wide and 600' long. The new road is color coded red on the USGS "oil City" Quadrangle map.

2. Planned Access Road - Continued

- B. Surfacing material: Six inches of caliche, watered, compacted and graded.
- C. Maximum grade: 3 per cent.
- D. Turnouts: Not needed.
- E. Drainage design: New road will have a drop of 6" from center line on each side.
- F. Culverts: None needed.
- G. Cuts and fills: None required.
- H. Gates of cattleguards: None required.

3. Existing wells within a one mile radius of the proposed development well are shown on the third attached plat.

4. Location of Existing and/or Proposed Facilities

- A. Production Facilities for all the existing wells in the area are located on the individual drilling well pads and no additional surface disturbance has occurred.
- B. Proposed production facilities will be set on the drilling pad of the Government "AL" No. 1 approximately 150' from the well.

The equipment will consist of two 300 barrel tanks to collect condensate and water which will be trucked to shore disposal and a production unit (stack pack). All equipment will be fenced with a chain link fence.

All permanent above ground structures and equipment will be painted in accordance with the BLM's painting guidelines, simulating the color of sandstone brown.

The gas purchaser will install necessary gas measurement equipment and gathering system for gas.

5. Location and Type of Water Supply

Both fresh water and brine water will be used to drill this well. Both will be purchased in and near Carlsbad and will be trucked to the well site over existing and proposed roads.

6. Source of Construction Materials

Caliche for surfacing the road and the well pad will be obtained from a State of New Mexico pit located NW/NE Section 21-20S-28E. It is color coded yellow on the USGS "Oil City" Quadrangle map.

7. Method of Handling Waste Disposal

- A. Drill cuttings will be disposed of in drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind.
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities

- A. None needed.

9. Wellsite Layout

- A. The location and dimensions of the well pad, mud pits, reserve pit and location of major rig components are shown on the wellsite layout sketch.
- B. Only minor levelling of the wellsite will be required. No significant cuts and fills will be necessary.
- C. The reserve pit will be plastic lined.

10. Plans for Restoration of the Surface

- A. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave the wellsite in an aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment of the well, surface restoration will be in accordance with the rehabilitation and/or revegetation requirements of the BLM. This will be accomplished as expeditiously as possible. Barring unforeseen problems, all pits will be filled and levelled within 90 days after abandonment.

11. Other Information

- A. Topography: Local terrain consists of a flat plain gently sloping to the southeast at about 30 feet/mile. GL elevation is 3272.4'.
- B. Soil: Shallow calciferous.
- C. Flora and Fauna: The vegetative cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grasses. Wildlife in the area is also sparse consisting of coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.
- E. Residences and Other Structures: The nearest occupied dwelling is the Angell Ranch Headquarters about one-half mile north.
- F. Archaeological, Historical and Cultural Sites: None observed in the area. Dr. J. Loring Haskell has been engaged to make an Archaeological Reconnaissance of the work area and access road.
- G. Land Use: Cattle ranching and hunting in season.
- H. Surface Ownership: The wellsite and access road are all on Federal surface within the boundaries of the Angell Ranch.

The administrator of the Angell Ranch is:

Mrs. Edward C. Slease
P.O. Box 283
Carlsbad, New Mexico 88220

Telephone: 505/885-5337

Although the Angell Ranch is not entitled to a surface damage payment, we have notified Mrs. Slease of the location, our planned access road and intention to drill.

12. Operators Representatives

The field representatives responsible for assuring compliance with the approved surface use and operations' plan are as follows:

J. L. Bussell, Production Foreman
P.O. Box 69
Hobbs, New Mexico 88240

Office Phone: 505/393-2174
Home Phone: 505/396-4719

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12. Operators Representatives - Continued

E. Y. Wilder, Region Operations Manager
P.O. Box 1919
Midland, Texas 79702


Office Phone: 915/685-5600
Home Phone: 915/694-8626

13. Certification

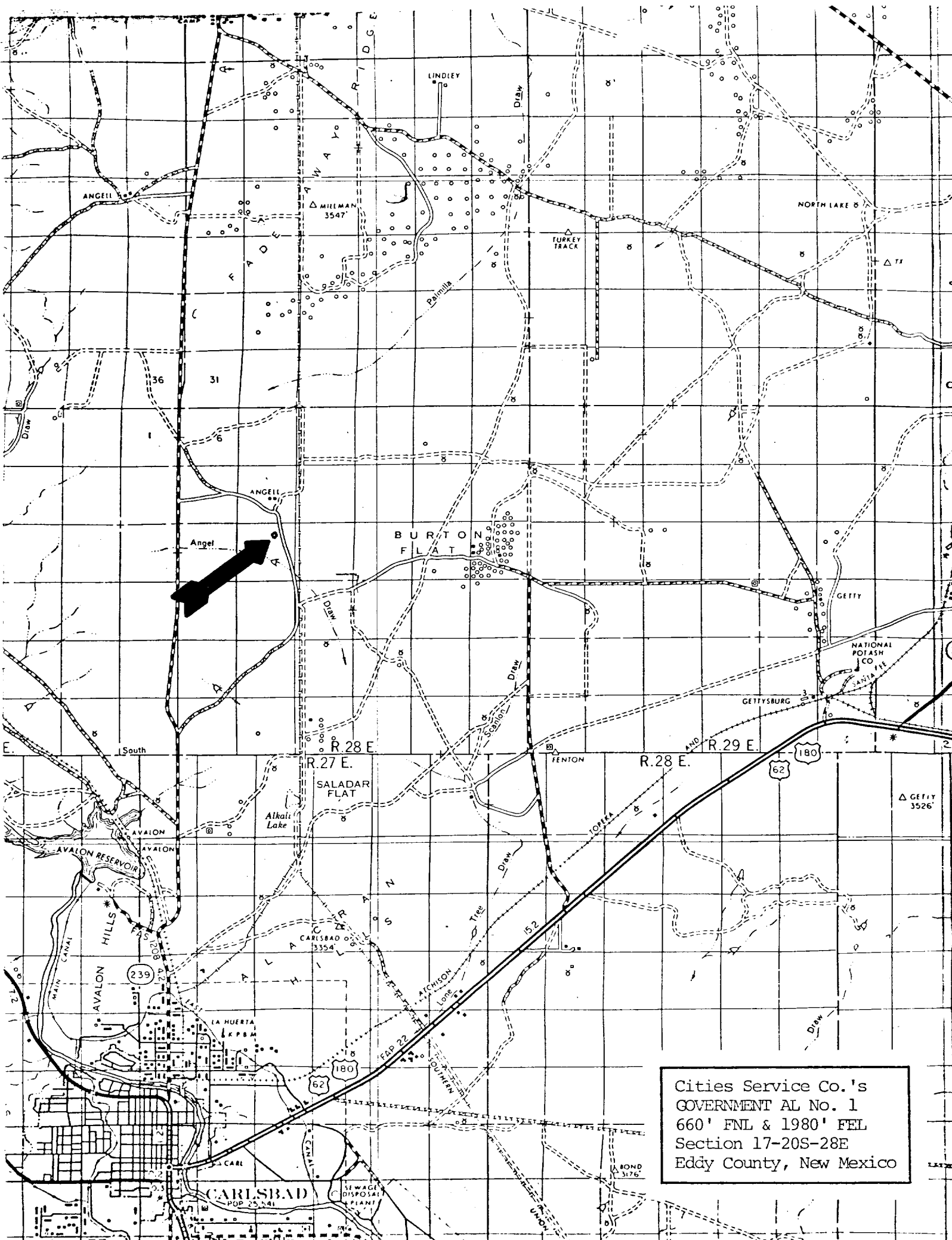
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Cities Service Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date

10/24/80


Region Operations Manager

EYW/dtd



Cities Service Co.'s
GOVERNMENT AL No. 1
660' FNL & 1980' FEL
Section 17-20S-28E
Eddy County, New Mexico

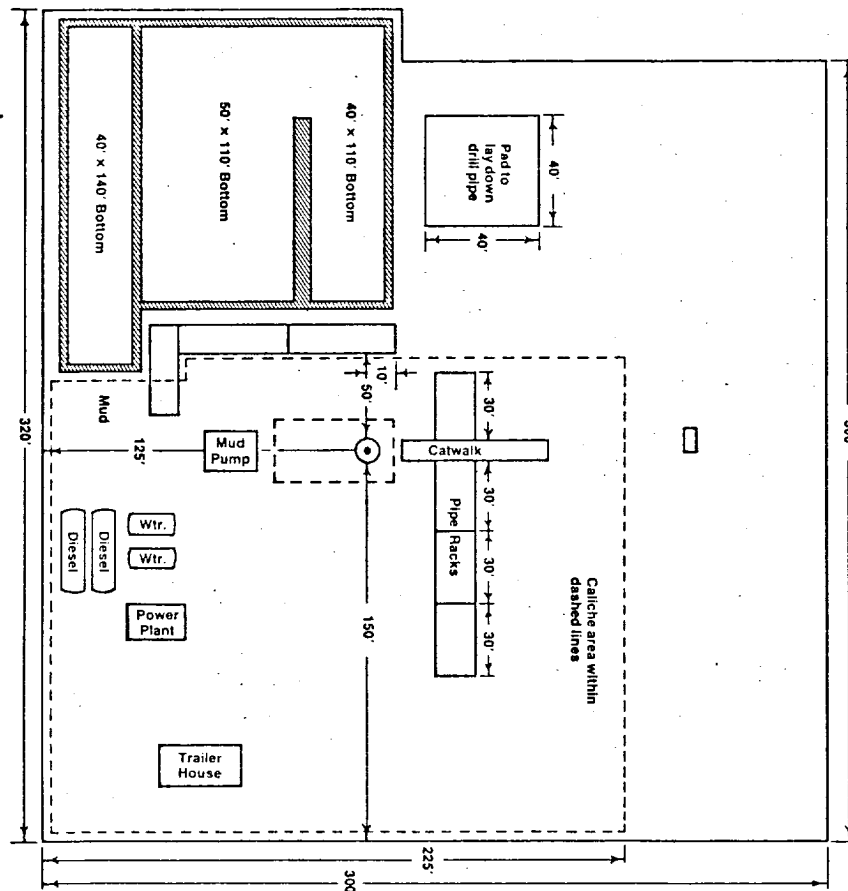
7	8	9
<p>PENROC 1-FOXIE FED. Cum: .1239 BCF + 109 BO + 4756 BW (56 mo.) MRRW "B"</p> <p style="text-align: center;">*</p> <p style="text-align: center;">PENROC 1-FOXIE FED. "A"</p> <p style="text-align: center;">◇</p>	<p style="text-align: center;">◦</p> <p style="text-align: center;">CSC 1-GOVT "AL"</p> <p style="text-align: center;">*</p> <p style="text-align: center;">CSC 1-GOVT "AG" WOCU MRRW "B" (32.5' pay)</p>	<p style="text-align: center;">*</p> <p style="text-align: center;">CSC 1-St. "CV" Cum: 1.305 BCF + 4984 BO MRRW "B" (40 mo.)</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">CSC 1-ST "CT" WFCP & CAYN</p>
<p>CSC 1-ST "CW" Cum: .866 BCF + 498 BO MRRW "A" (41 mo) Re-comp MRRW "B" 7/23/80 *CAOF 5.162 MMCF/D</p> <p>YATES 2-Stonewall "EP" St. Cum: 5.276 BCF + 8666 BO MRRW "B" (38 mo.)</p> <p style="text-align: center;">*</p>	<p>YATES 1-STONEWALL "DD" CUM: .067 BCF + 1713 BO MRRW "B" (43 mo.)</p> <p style="text-align: center;">*</p>	<p style="text-align: center;">*</p> <p>PETR. RES. 1-St. "21" COM. Cum: .360 BCF + 378 BO MRRW "B" (30 mo.)</p> <p style="text-align: center;">*</p> <p>AMOCO 1-St. "EP" COM. STRN</p>

R 28 E

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GOVERNMENT AL No. 1
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SCALE: 1" = 2000'

LOCATION PLAT



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