Belco Petroleum Corporation

Belco

January 19, 1973

United States Geological Survey P. O. Drawer "U" Artesia, New Mexico 88210

> Re: Belco Petroleum Corporation James Ranch Unit No. 4 1980' FSL & 660' FWL Section 6, T-23-S, R-33-E Eddy County, New Mexico

Gentlemen:

- 1. Existing Roads Highway 128 is the nearest existing road.
- 2. Planned Access Roads It is planned to build a road into the location straight north from Highway 128.
- 3. Location of Wells This is the second Belco Petroleum Corporation well in the area, being an east offset to the Belco Petroleum Corporation James Ranch Unit No. 3.
- 4. Lateral Roads to Well Locations The roads to the wells are shown on the attached plat.
- 5. Location of Tank Batteries and Flowlines In case of production, any tank battery or necessary producing facility would be placed upon the drilling pad.
- 6. Location and Types of Water Supply There is no ground water available in the area and water will have to be purchased from a commercial source and trucked to the location.
- Methods for Handling Waste Disposal It is planned to build an 8' x 4' x 4' waste pit next to the reserve pit in which to dispose of all waste.
- 8. Proposed Disposition of Produced Brine Water Subject well is a gas prospect and no water production is anticipated; however, any produced brine water would be disposed of by hauling to a commercial water disposal well.
- 9. Disposition of Casinghead Gas There is a ready market in the area for casinghead gas and the low pressure casinghead gas will be sold.