SURFACE USE PLAN

Exxon Corporation-Development Well

Gourley Federal Com, Well No. 1, Located 1,980' F E L and 660' F N L of Section 28, T 22 S, R 28 E, Eddy County, New Mexico Federal Lease No. 26684-A, Eddy County, New Mexico

1. EXISTING ROADS - Area Map, Exhibit "A" is a reproduction of a portion of U.S. Geological Survey Carlsbad, New Mexico quadrangle.

From Carlsbad, New Mexico go northeasterly two miles on Highway 62-180 to a "Y" and take the right-hand branch and proceed approximately 8 1/2 miles on paved county road to an intersection with an existing caliche road. Proceed north approximately 0.7 mile then proceed on a proposed road 0.3 mile west to the location.

- 2. PLANNED ACCESS ROADS Approximately.3 mile of new road will be constructed.
 - (1) Width of the new road to be constructed will be approximately 12 feet.
 - (2) No grade change will be made in any part of the existing access road or the new road to be constructed in excess of 5 percent.
 - (3) No turnouts will be necessary.
 - (4) No special drainage features will be necessary.
 - (5) No culverts will be required.
 - (6) Caliche will be used on the road.
 - (7) No cattleguards will be needed.
 - (8) The proposed new road is center-line flagged.
- 3. LOCATION OF EXISTING WELLS WITHIN ONE MILE RADIUS -
 - (1) Water wells There are no known water wells within 1 mile of the drillsite.
 - (2) Abandoned wells Dry holes are shown on Exhibit "C" within 1 mile of drillsite.
 - (3) Temporarily abandoned wells None
 - (4) Disposal wells None
 - (5) Drilling wells None
 - (6) Producing wells Shown on Exhibit "C"
 - (7) Shut-in wells None
 - (8) Injection wells None
 - (9) Monitoring or observation wells for other resources None

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4. TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES -

- A. Exxon has no existing storage facilities in this field.
- In the event of production, new facilities are shown on Exhibit "B". Β.
 - 1) Proposed location attendent lines by flagging it off of well pad.
 - 2) Dimensions of facilities are shown on Exhibit "B".
 - 3) Production facilities will be constructed on a caliche pad as shown on Exhibit "B".
- Rehabilitation will be done on any disturbed areas no longer needed for C. operations after completion of the production facilities. This will consist of reshaping the existing surface and seeding as specified.
- 5. LOCATION AND TYPE OF WATER SUPPLY -
 - A. Water will be hauled from off the lease.
 - Water will be hauled over existing and new roads. Β.
 - C. No water well will be drilled.
- 6. SOURCE OF CONSTRUCTION MATERIALS -
- U.S. GEULUGIUAL SURVEY Caliche will be obtained from a pit in the area as shown on Exhibit "A" and/or from the reserve pit of the location. Α.
 - Construction materials will be from Federal lands. В.
 - C. Caliche from the federal pit shown on Exhibit "A" will be used on the road and caliche obtained from reserve pit will be used on drill pad.
 - D. All access roads are shown on Exhibit "A".
- 7. WASTE DISPOSAL -
 - (1) Drill cuttings will be disposed of in the reserve pit.
 - (2) Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.
 - (3) Trash, waste paper, garbage and junk will be burned or buried with a minimum of 24" cover. Waste material will be contained to prevent scattering by wind prior to ultimate disposal.
 - (4) Any produced water will be contained in tanks and be disposed of in an approved manner. Oil produced will be stored in tanks until sold, at which time it will be hauled from location.
 - (5) Current laws and regulations pertaining to disposal of human waste will be complied with.
 - (6) If productive, maintenance waste will be placed in special containers and buried or hauled away periodically.

SURFACE USE PLAN

- 8. ANCILIARY FACILITIES No camps, airstrips, et cetera, will be constructed.
- 9. WELL SITE LAYOUT -
 - 1. Refer to Exhibit "B" for well site layout.
 - 2. Dimensions may vary slightly depending on size of drilling rig available.
 - 3. Terrain at the well site is very flat.
 - 4. The reserve pits will be lined with plastic material.

10. RESTORATION OF SURFACE -

- At the time of completion and abandonment of the well, the pits will be backfilled and the entire disturbed area will be sloped to coincide with the adjacent undisturbed area. The top soil will be distributed over the entire disturbed area. Prior to leaving the drillsite upon rig move out and before reshaping any pit that is to remain open for drying will be fenced until backfilling and reshaping can be done.
- When well is abandoned drill pad and other disturbed areas will be rehabilitated as per BLM recommendations.
- 3. Any rehabilitation of the drill pad will comply with BLM specifications.
- 4. Any oil on pits will be removed or otherwise disposed of to USGS and BLM approval.
- 5. Rehabilitation operations will be completed as soon as practical after abandonment of the well and no later than the Fall after abandonment.

11. OTHER INFORMATION -

- 1. The terrain is flat prairie. The soil is sandy and the vegetation is sparse.
- 2. The surface is used for grazing and is owned by the Federal Government.
- 3. There are no ponds, water wells, occupied dwellings, archaeological, historical or cultural sites in the immediate area.

SURFACE USE PLAN

12. OPERATOR'S REPRESENTATIVE - Field representative who can be contacted concerning compliance of this Surface Use Plan is:

H. G. Davidson P. O. Box 1600 Midland, TX 79702 Home Phone: (915) 694-5324 Office Phone: (915) 683-0263

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 Exxon Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. A copy of this plan will be posted at the well site during the drilling of the well for reference by all contractors and subcontractors.

Date 10-2.3-79 H. G. Davidson

Division Drilling Manager

MK: jm