3 1993

3160(067)
NM-479142

MAY - 2 1993

CERTIFIED--RETURN RECEIPT REQUESTED
P 135 585 847

Phillips Petroleum Company
Attention: L. M. Sanders
4001 Penbrook Street
Odessa, TX 79762

RE: James E Federal Well No. 8
NM-479142
2247' FSL & 1558' FEL, Sec. 11, T22S, R30E
Eddy County, New Mexico

Dear Mr. Sanders:

On February 9, 1993, Phillips Petroleum Company filed an Application for Permit to Drill (APD) at the above referenced location. The proposed production zone bottom hole location is 1980 feet FSL and 660 feet FEL. I am pleased to approve your APD at the present location. Your copy of the APD, with attached stipulations, is enclosed.

Through our analysis of the APD, we have determined that the well site is located a sufficient distance from the ore zones that potash resources should not be impacted.

If you need any additional information, please contact Tony Herrell in the Carlsbad Resource Area at (505) 887-6544.

Sincerely,

/s/ Kathy Eaton

Monte G. Jordan
Acting State Director

1 Enclosure

bcc:
NM (910, M. Jordan)
NM (920, R. Smith)
NM (060, A. Lopez)
NM (060, L. Cone)
NM (067, T. Herrell)

Form 3160-4
(October 1990)

NEEDS TO BE PUT ON SYSTEM

NM OIL CONS. COMMISSION

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCT 13 11 45 AM '93
CARLSBAD, NEW MEXICO

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: NM-0479142

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME, WELL NO.: James E Fed. 8

9. API WELL NO.:

10. FIELD AND POOL, OR WILDCAT: Cabin Lake (Delaware)

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 11, 22-S, 30-E

12. COUNTY OR PARISH: Eddy

13. STATE: NM

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

2. NAME OF OPERATOR: Phillips Petroleum Company

3. ADDRESS AND TELEPHONE NO.: 4001 Penbrook St., Odessa, Texas 79762

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface: Unit J, 2247' FSL & 1558' FEL

At top prod. interval reported below: Unit I, 1795' FSL & 635' FEL

At total depth: Unit I, 1777' FSL & 585' FEL

14. PERMIT NO.: 30-015-27441 | DATE ISSUED: 5/3/93

15. DATE SPUDDED: 6/17/93 | 16. DATE T.D. REACHED: 8/8/93 | 17. DATE COMPL. (Ready to prod.): 9/3/93 | 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*: 3227' GR | 19. ELEV. CASINGHEAD:

20. TOTAL DEPTH, MD & TVD: 7600'MD 7452'TVD | 21. PLUG, BACK T.D., MD & TVD: 7552'MD 7405'TVD | 22. IF MULTIPLE COMPL., HOW MANY*: | 23. INTERVALS DRILLED BY: → | ROTARY TOOLS: 0-TD | CABLE TOOLS:

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 7388'-7492' Delaware

25. WAS DIRECTIONAL SURVEY MADE: Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN: DLL-MSFL-GR; SDL-DSN-GR

27. WAS WELL CORED: No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	400'	17-1/2"	800 sxs C circulated	
8-5/8"	24#	3500'	12-1/4"	2500 sxs C circulated	
5-1/2"	15.5# 17#	7600'	7-7/8"	1510 sxs C TOC 3078'	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	7341'	

31. PERFORATION RECORD (Interval, size and number)

7388'-7408' 4" gun, 1 shot per 2', 11 shots
7470'-7492' 4" gun, 1 shot per 2', 12 shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7388'-7492'	2000 gals 7.5 NEFE HCL
7388'-7492'	14000 gals borate XL'd 35# gel pad, 25600 gals borate XL'd 35 gel, 129100# 16/30 ottawa sand

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
9/5/93	2-7/8" x 1-3/4" RHBC insert rod pump	producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
9/11/93	24			54	35	250	648/1

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
						39.6

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Sold

TEST WITNESSED BY:

35. LIST OF ATTACHMENTS: Logs

ACCEPTED FOR RECORD
NOV - 5 1993
CARLSBAD, NEW MEXICO

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED: L. M. Sanders | TITLE: Supv, Reg. Affairs | DATE: 10/11/93

L. M. Sanders

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

30-015-27441

Form 3160-3
(November 1983)
(formerly 9-331C)

NM OIL CONS. COMMISSION
Artesia, NM 88210

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: NM-0479142

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

7. UNIT AGREEMENT NAME:

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME: James E Fed

2. NAME OF OPERATOR: Phillips Petroleum Company

9. WELL NO.: 8

3. ADDRESS OF OPERATOR: 4001 Penbrook Street, Odessa, TX 79762

10. FIELD AND POOL, OR WILDCAT: Cabin Lake (Delaware)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: Unit J, 2247' FSL & 1558' FEL
At proposed prod. zone: Unit I, 1980' FSL & 660' FEL

RECEIVED
MAY - 2 1993
O. C. D.
ARTESIA, OFFICE

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 11, 22-S, 30-E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 22 Miles East of Carlsbad, NM

12. COUNTY OR PARISH: Eddy — 13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 660'

16. NO. OF ACRES IN LEASE: 1000'

17. NO. OF ACRES ASSIGNED TO THIS WELL: 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 1320' E from #6

19. PROPOSED DEPTH: 7550 TVD sas / 7663' MD KOP@± 3600'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3224.5'GR (Unprepared)

22. APPROX. DATE WORK WILL START*: Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM — Secretary's Potash / R-111-P Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	400	700 sx Cl "C" CIRCULATE [redacted]
12-1/4"	8-5/8"	24#	3500	1200 sx Cl "C" Tail w/200 sx Cl "C" CIRCULATE [redacted] Carlsbad Controlled Water Basin
7-7/8"	5-1/2"	15.5#	7550	1st Stg: 350 sx Cl "C" 2nd Stg: 250 sx Cl "C" tail w/400 Cl "C" (tie back-see stips)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: L. M. Sanders — TITLE: Supv., Regulatory Affairs — DATE: 2-8-93 — 915/368-1488

(This space for Federal or State office use)

NOS REC'D: 11/18/92

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 5-3-93

CONDITIONS OF APPROVAL, IF ANY:
APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED and to NMOCD's R-111-P

DD-76

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
PHILLIPS PETROLEUM CO.	JAMES E FED	8

Unit Letter	Section	Township	Range	County
J & I	11	22 SOUTH	30 EAST NMPM	EDDY

Actual Footage Location of Well:
BHL-1980 / SHL-2247 feet from the SOUTH line and 660 / 1558 feet from the EAST line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3224.5'	Cabin Lake (Delaware)	Cabin Lake (Delaware)	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

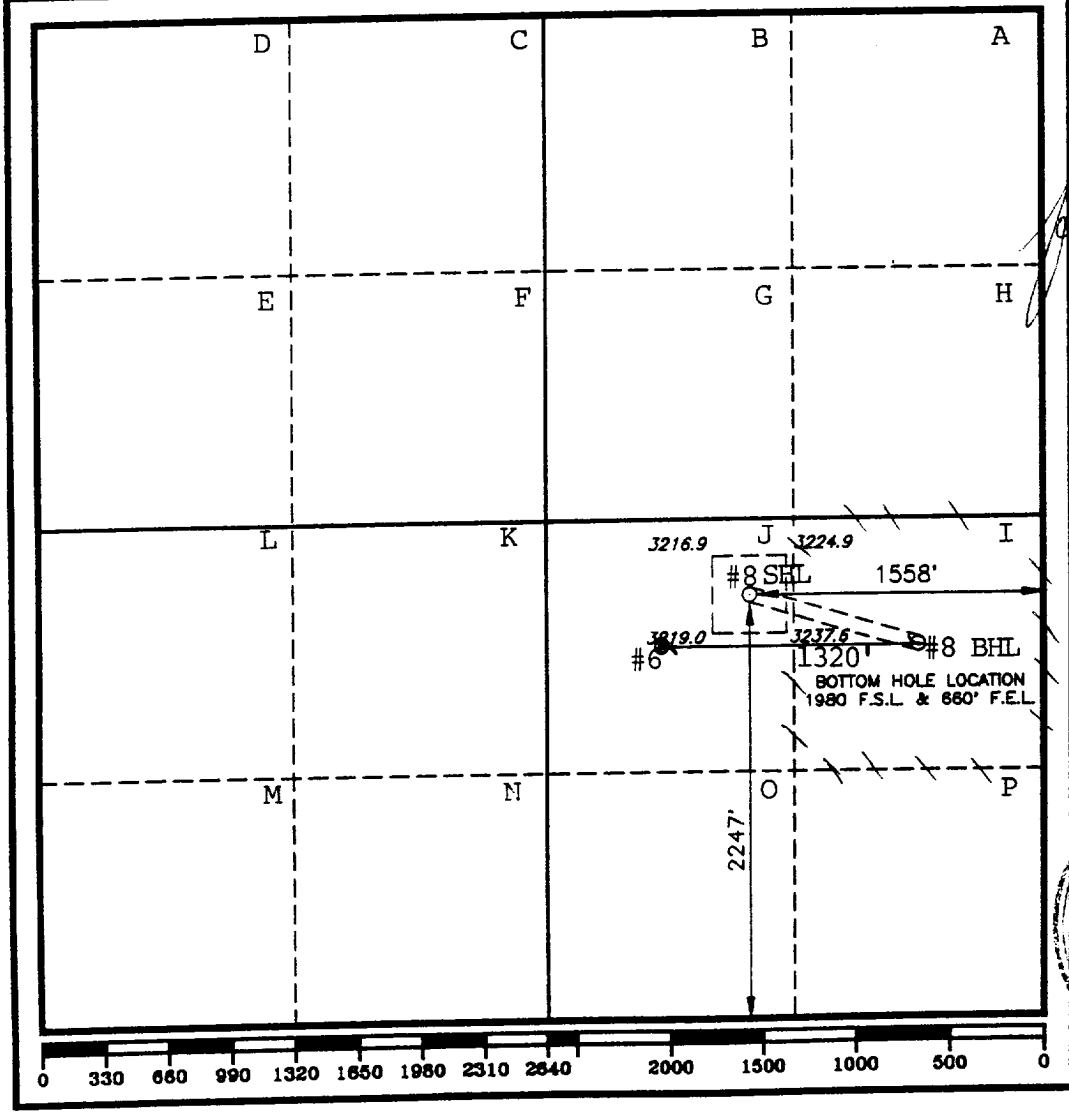
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary. _____

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name
L. M. Sanders

Position
Supv., Reg. Affairs

Company
Phillips Petroleum Co.

Date
February 8, 1993

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
NOVEMBER 18, 1992

Signature & Seal of Professional Surveyor

GARY L. JONES
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR

Certificate No. CHARLES W. WEST, 676
RONALD J. EIDSON, 3239
GARY L. JONES, 7977

92-11-1801

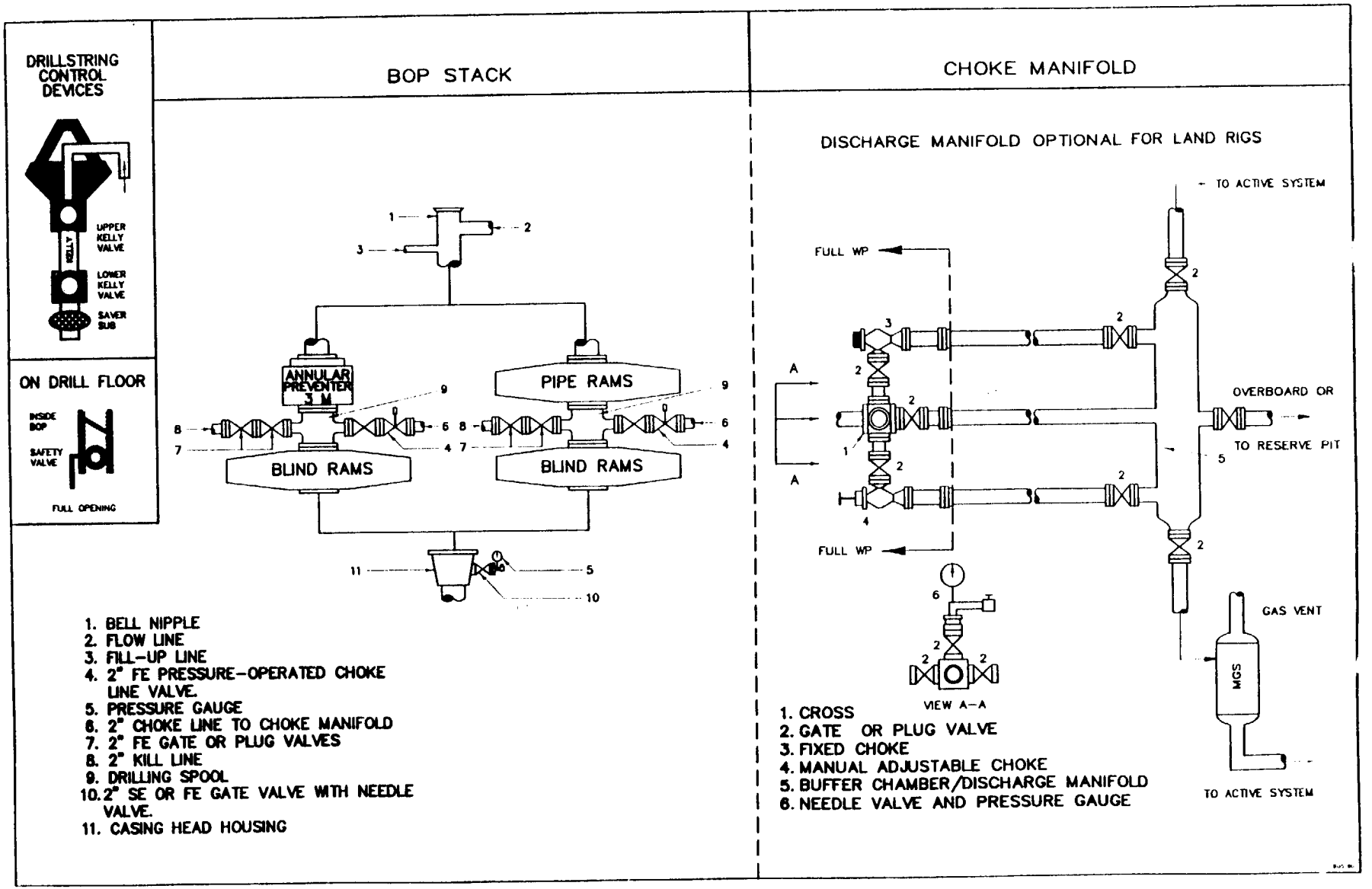


Fig. 2.4. Class 2 BOP and Choke Manifold.

PHILLIPS PETROLEUM COMPANY
DRILLING PROGRAM

Attached to BLM Form 3160-3

Lease Name: James E Fed.
Well No.: 8
Location: SHL-2247'FSL & 1558'FEL of Sec. 11, T-22-S, R-30-E, Eddy County, New Mexico
BHL - 1980' FSL & 660' FEL of Sec. 11, T-22-S, R-30-E, Eddy Cty,N.M.

1. Geological name of surface location:

Triassic

2. Estimated tops of important geological markers:

Name	Depth
Surface	0
Rustler	250
Salado	680
Anhydrite	3070
Lamar Limestone	3675
Bell Canyon	3710
Cherry Canyon	4510
Brushy Canyon	5815
Bone Spring	7500

3. Estimated depths of anticipated fresh water, oil & gas:

Formation	Depth	Fresh Water/Oil/Gas
Cherry Canyon	5450	Oil
Cherry Canyon	5600	Oil
Brushy Canyon	7280	Oil
Brushy Canyon	7350	Oil

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 13-3/8" casing at 400' and circulating cement back to surface. Potash will be protected by setting 8-5/8 " casing at 3500' and circulating cement back to surface. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across them by inserting a cementing stage tool into the 5-1/2" production casing which will be run at TD.

4. Casing Program:

Hole Size	Interval	OD Csg.	Weight, Grade, Type
17-1/2	400	13-3/8	48#/Ft. H-40 ST&C
12-1/4	3500	8-5/8	24#/Ft. J-55 ST&C
7-7/8	7550	5-1/2	15.5#/Ft.J-55 ST&C

Cement Program:

NA " Conductor Casing:

13-3/8" Surface Casing: 700 sx Cl. C + 2% CaCl2

8-5/8" Intermediate Casing: Lead - 1200 sx Cl. C + 6% Gel + 15 lb/sx salt.
Tail - 200 sx Cl. C + 10 lb./sx Salt

5-1/2" Production Casing: Stage tool @6000'. 1st Stg-350 sx Cl.C. 2nd Stg-Lead:250 sx CL.C + 20% Diacel D + 3% salt. Tail: 400 sx Cl. C.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) schematic attached will consist of a double ram-type (2000 psi WP) preventer and/or a bag-type (hydril) preventer (2000 psi WP). The BOP will be hydraulically operated and the ram-type preventer will be equipped with blind rams and appropriate pipe rams. The BOP will be nippled up on the 13-3/8" surface casing and used continuously until TD is reached. All BOP's and accessory equipment will be tested to 1000 psi before drilling out of surface casing. Before drilling out of intermediate casing, the ram-type BOP and accessory equipment will be tested to 2000 psi and the hydril to 50% of rated working pressure (2100 psi). Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and 3" choke line will be attached to a drilling spool or BOP side outlets. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 3000 psi WP rating.

6. Types & Characteristics of the Proposed Mud System:

The well will be drilled to TD with a combination of Cut Brine/Starch. The applicable depths and properties of this system are as follows:

Depth	Type	Weight (ppg)	Viscosity (sec)	Waterloss (cc)
400	FW	8.5-9.0	28-30	N/C
3500	Brine	10.0-10.2	28-30	N/C
5000	Cut Brine	8.5-8.7	28-30	N/C
7550	Starch	8.7-9.0	30-36	>15CC

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

7. Auxiliary Well Control and Monitoring Equipment:

A. A kelly cock will be kept in the drill string at all times.

B. A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.

C. An electronic pit-volume-totalizer system will be used continuously below NA ' to monitor the mud and pump system. The drilling fluids system will also be visually monitored at all times.

D. A mud logging unit will be continuously monitoring drilling penetration rate and hydrocarbon shows from 3500' to TD.

E. A fixed electronic H_2S monitoring system including alarms with monitors at the shaker and at the bell nipple will be in operation from surface to TD.

8. Logging, Testing & Coring Program:

A. Drillstem tests: N/A

B. Electric logging program: DLL/MSFL/GR, LDT/CNL/GR, Full Wave Sonic, Rotary Sidewall Core.

C. Coring:

9. Abnormal Conditions, Pressures, Temperatures & Potential Hazards:

None Anticipated

10. Anticipated Starting Date & Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is upon approval. Once commenced, the drilling operation should be finished in approximately 30-40 days. If the well is productive, an additional 60 days will be required for completion and testing.

PHILLIPS PETROLEUM COMPANY
SURFACE USE PLAN

Attached to Form 3160-3
Lease Name: James E Fed.
Well No.: 8
Location: SHL-2247'FSL & 1558' FEL of Sec. 11, T-22-S, R-30-E, Eddy County, N.M.
BHL-1980' FSL & 660' FEL of Sec. 11, T-22-S, R-30-E, Eddy County, N.M.

1. Existing Roads:

A. The well site and elevation plat for the proposed well is shown on attached plat.

B. Existing roads are indicated on attached map. Existing roads are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling well be done where necessary as determined during the onsite inspection.

C. Directions to location: From Carlsbad, N.M. East on Highway 62-180, 22 Miles to Highway 31 South. Go South on #31, 11 miles East on County Road 8 mi., 4 mi. on lease road to location.

D. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. Proposed Access Roads:

Attached map indicates the proposed 600 ' of new access road to be constructed. The road will be constructed as follows:

A. The maximum width of the running surface will be 12'. The road will be crowned and ditched and constructed of 6" of rolled and compacted caliche. Ditches will be 3.1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns. BLM may specify any additions or changes during the onsite inspection.

B. The average grade will be less than 1%.

C. No turnouts are planned.

D. Culverts, cattle guard, low-water crossings, fence cuts: None

E. Surface material will consist of native caliche. Caliche will be obtained from nearest BLM approved pit. Any additional materials required will be purchased from the dirt contractor.

F. The proposed access road will be centerline flagged.

3. Location of Existing Wells:

James E Fed. #1 Sec. 11, 22-S, 30-E, Unit G, 1980'FNL & 1980'FEL
#2 Sec. 11, 22-S, 30-E, Unit C, 535' FNL & 2080'FWL
#3 Sec. 11, 22-S, 30-E, Unit B, 500' FNL & 1800'FEL
#4 Sec. 11, 22-S, 30-E, Unit A, 760' FNL & 330' FEL
#5 Sec. 11, 22-S, 30-E, Unit H, 1810' FNL & 330' FEL
#6 Sec. 11, 22-S, 30-E, Unit J, 1980' FSL & 1980' FEL

4. Location of Existing and/or Proposed Facilities:

A. Tank Battery: Will utilize existing James E tank battery location, approximately 470' FNL & 1820' FEL of Sec. 11, T-22-S, R-30-E, Eddy County, N.M.

B. Flowlines: Flowline will begin at well and follow lease road approximately 600' West; turn North along lease road approximately 2700', turn East under existing road & follow road approximately 500' to existing battery. (See Plat)

C. Electric line: Will follow lease road East from James E #6 to James E #8 approximately 600'. (See Plat)

5. Location and Type of Water Supply:

Trucked from commercial water station.

6. Source of Construction Materials:

All caliche required for construction of the drill pad and the proposed new access road will be obtained from a BLM approved caliche pit.

7. Methods of Handling Waste Disposal:

A. Drilling cuttings not retained for evaluation purposes will be disposed into the reserve pit.

B. Drilling fluids will be contained in steel mud tanks. The reserve pit will contain any excess drilling fluid or flow from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit, approximately 80 X 80 X 6 deep and fences on three sides prior to drilling.

It will be fenced on the fourth side immediately following rig removal. The reserve pit will be plastic-lined to minimize loss of drilling fluids and saturation of the ground with brine water.

C. Water produced from the well during completion may be disposed into the reserve pit or steel tank. After the well is permanently placed on production, produced water will be collected in tanks until hauled by transport to an approved disposal system or separate disposal application will be submitted for appropriate approval; produced oil will be collected in steel tanks until sold.

D. A portable chemical toilet will be provided on the location for human waste during the drilling and completion operations.

E. Garbage and trash produced during drilling or completion will be put in trash trailer. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. All waste material will be contained to prevent scattering by the wind. No toxic waste or hazardous chemicals will be produced by this operation.

F. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned-up within 30 days. No adverse materials will be left on the location. The reserve pit will be completely fences and netted and kept closed until it has dried. When the reserve pit is dry enough to break out and fill and, as weather permits, the unused portion of the well site will be leveled and reseeded as per BLM specifications. Only the part of the pad required for production will be kept in use. In the event of a dry hole, only a dry hole marker will remain.

8. Ancillary Facilities:

No airstrip, campsite, or other facilities will be built as a result of the operations on this well.

9. Well Site Layout:

A. Drill pad: 250 x 250

B. Attached plat shows planned orientation for the rig and associated drilling equipment, reserve pit, pipe racks, turn-around and parking areas, and access road. No permanent living facilities are planned but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

C. The reserve pit will be lined with a high-quality plastic-sheeting.

10. Plans for Restoration of the Surface:

A. Upon completion of the proposed operations, if the well is to be abandoned, the caliche will be removed from the location and road and returned to the pit from which it was taken. The pit area, after allowing to dry, will be broken out and leveled. The original top soil will be returned the entire location which will be leveled and contoured to as nearly the original topography as possible.

All trash, garbage and pit lining will be buried or hauled away in order to leave the location in an aesthetically pleasing condition. All pits will be filled and the location leveled within 120 days after abandonment.

B. The disturbed area will be revegetated by reseeding during the proper growing season with a seed mixture of native grasses as recommended by the BLM.

C. Three sides of the reserve pit will be fences prior to and during drilling operations. At the time the rig is removed, the reserve pit will be fenced on the rig (fourth) side and netted to prevent livestock or wildlife from being entrapped.

The fencing and netting will remain in place until the pit area is cleaned-up and leveled. No oil will be left on the surface of the fluid in the pit. The entire reserve pit will be netted until the fluid has completely evaporated.

D. Upon completion of the proposed operations, if the well is completed, the reserve pit area will be treated as outlined above within the same prescribed time. Topsoil removed from the drill site will be used to recontour the pit area and any uncased portions of the drill pad to the original natural level and reseeded as per BLM specifications.

11. Surface Ownership:

The wellsite and lease is located entirely on Federal surface.

12. Other Information:

A. Terrain: See Archaelogical Survey
B. Soil: See Archaelogical Survey
C. Vegetation: See Archaelogical Survey
D. Surface Use: Grazing
E. Ponds and Streams: None

F. Water Wells: None
G. Residences and Buildings: 2 Miles West
H. Arroyos, Canyons, Etc.: N/A

I. Well Sign: Per State and Federal specifications.

J. Archaeological Resources: See Archaelogical Report

13. Lessees's and Operator's Representative:

The Phillips Petroleum Company representatives responsible for assuring compliance with the surface use plan are:

R. C. Ainsworth
4001 Penbrook
Odessa, Texas 79762
(915) 368-1261

or

S. H. Oden
1625 West Marland
Hobbs, NM 88240
(505) 393-5121

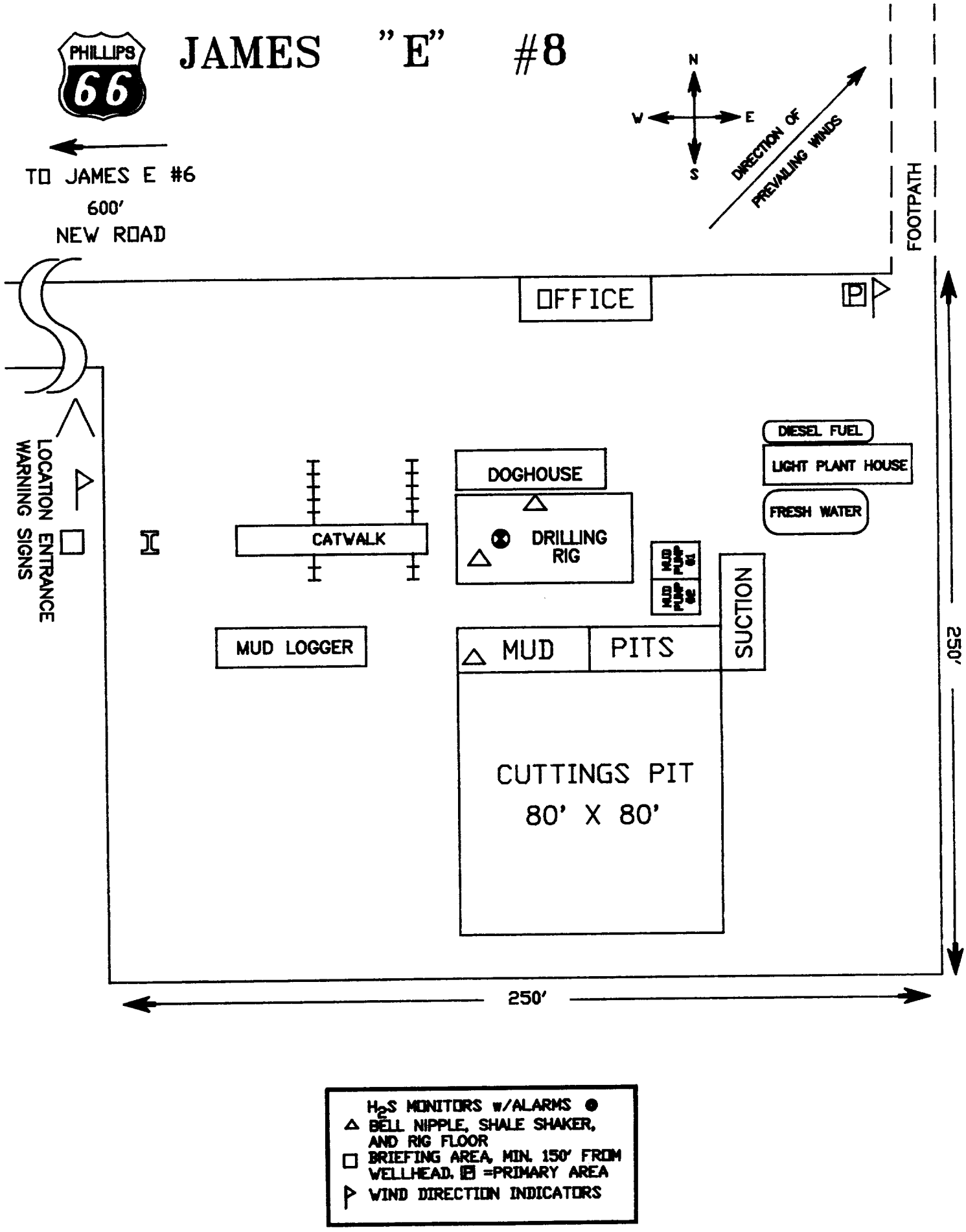
14. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the 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 Phillips Petroleum Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

for L. M. Sanders, Supervisor
Regulation and Proration

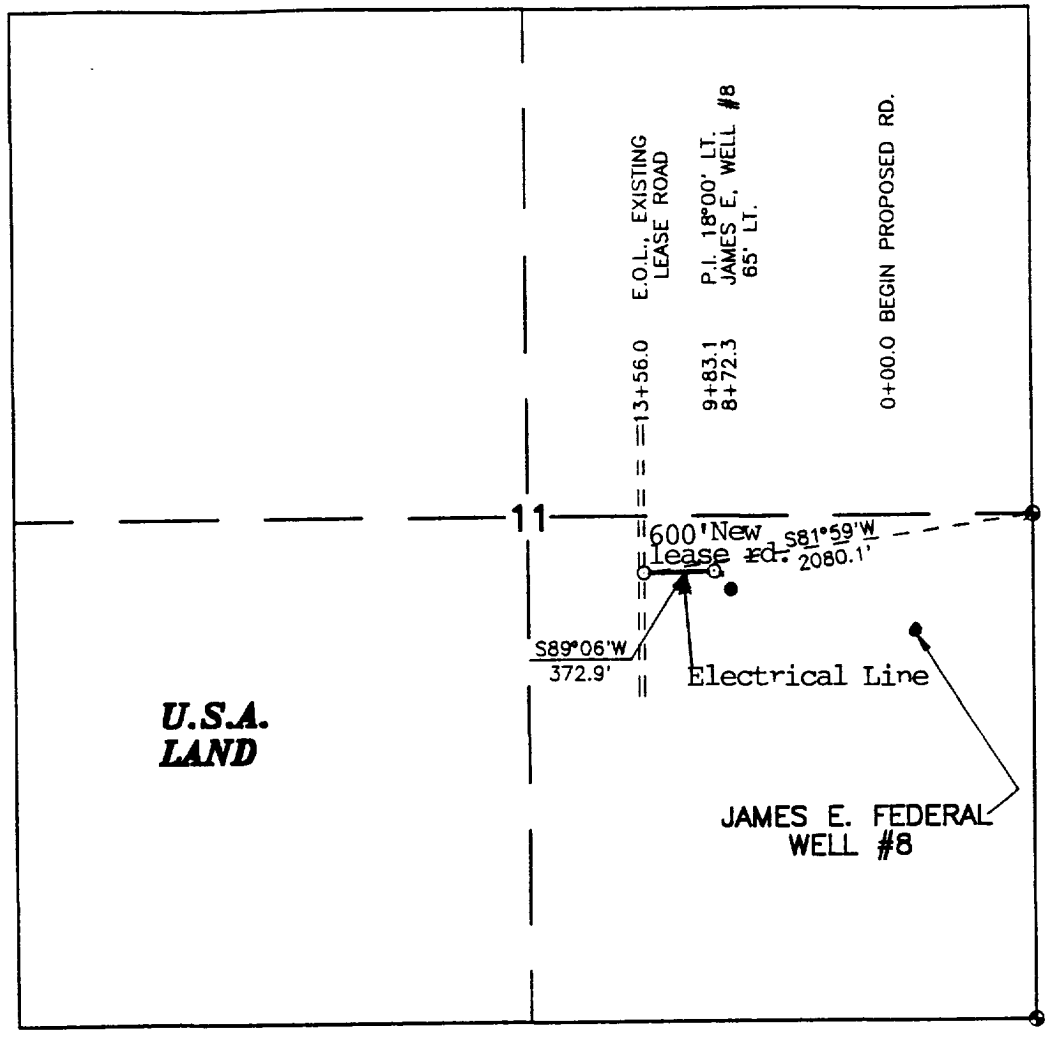
2/8/93
Date

JM:AF:ehg
1-22-93
REGPRO:JMAPL:JamesE8.SurfPlan


PHILLIPS 66
JAMES "E" #8
N
W
E
S
DIRECTION OF PREVAILING WINDS
TO JAMES E #6
600'
NEW ROAD
FOOTPATH
OFFICE
P
LOCATION ENTRANCE WARNING SIGNS
DIESEL FUEL
LIGHT PLANT HOUSE
FRESH WATER
DOGHOUSE
CATWALK
DRILLING RIG
MUD PUMP #1
MUD PUMP #2
SUCTION
MUD LOGGER
MUD PITS
CUTTINGS PIT
80' X 80'
250'
250'
H2S MONITORS w/ALARMS
BELL NIPPLE, SHALE SHAKER, AND RIG FLOOR
BRIEFING AREA, MIN. 150' FROM WELLHEAD. P =PRIMARY AREA
WIND DIRECTION INDICATORS

SECTION 11, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO.



CENTERLINE DESCRIPTION FOR ROAD

A STRIP OF LAND 50.0 FEET WIDE AND 1356.0 FEET OR 0.26 MILES IN LENGTH AND BEING 25.0 FEET RIGHT AND 25.0 FEET LEFT OF THE ABOVE PLATTED SURVEY OF CENTERLINE:

1000 0 1000 2000

SCALE: 1"=1000'

JAMES E. FEDERAL #8, ROAD

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES NEW MEXICO 7977 REGISTERED PROFESSIONAL SURVEYOR

JOHN W. WEST, N.M. P.E. & P.S. No. 676
TEXAS P.E. & L.S. No. 1138
RONALD J. EIDSON, N.M. L.S. No. 3239
TEXAS P.E. & L.S. No. 1883
GARY L. JONES N.M. P.S. No. 7977

PHILLIPS PETROLEUM COMPANY

A PROPOSED ROAD CROSSING FEDERAL LAND IN SECTION 11, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

JOHN W. WEST ENGINEERING COMPANY

CONSULTING ENGINEERS & SURVEYORS — HOBBS, NEW MEXICO

Survey Date: 11/21/92		Sheet 1 of 1 Sheets	
W.O. Number: 92-11-1801		Drawn By: J. L. Presley	
Date: 11/24/92	DISK: JLP#67	PHI1801	Scale: 1" = 1000'

NMAS
New Mexico Archaeological Services, Inc.
P.O. Box 1341
Carlsbad, New Mexico 88221-1341
(505) 887-7646 • FAX (505) 885-2587

Reconnaissance
Excavation
Analysis
Explanation
Curation

5 December 1992

Mr. Wes Stinson
PHILLIPS PETROLEUM COMPANY
1625 West Marland
Hobbs, New Mexico 88240-6427

Dear Mr. Stinson:

Enclosed please find NMAS' Archaeological Survey Report for PHILLIPS COMPANY's proposed James "E" Federal Well No. 8 and an associated access road in Eddy County, New Mexico. No cultural resources were recorded during these surveys; therefore, NMAS is suggesting clearance for all proposed work.

If you have any questions pertaining to this report, please call my office. Thank you for asking NMAS to do this survey.

Yours sincerely,

J. Loring Haskell

Dr. J. Loring Haskell
Principal Investigator

Enclosure

cc: Mr. Michael Kyte, BLM, Carlsbad

as