

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-05-23468

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

5. LEASE DESIGNATION AND SERIAL NO.

LC-061497

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

GULF "A" FEDERAL

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

X BRUSHY DRAW DELAWARE

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

SEC. 13, T. 26 S., R. 29 E.

3. ADDRESS OF OPERATOR

P. O. BOX 2376, MIDLAND, TEXAS 79702

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

At surface

840' FNL AND 330' FWL OF SECTION 13

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

14 MILES SOUTHEAST OF MALAGA, NEW MEXICO

12. COUNTY OR PARISH

EDDY

13. STATE

NEW MEXICO

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

640

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.

1140'

19. PROPOSED DEPTH

3300

20. ROTARY OR CABLE TOOLS

CABLE TOOLS

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

2978.4 GR

22. APPROX. DATE WORK WILL START*

AUGUST 28, 1980

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/2"	10-3/4"	40.5# H-40	350	SUFFICIENT TO CIRCULATE
6-1/4"	4-1/2"	9.5# K-55	3300	50 SACKS

SEE ATTACHED FOR: SUPPLEMENTAL DRILLING DATA
SURFACE USE AND OPERATIONS PLANRECEIVED
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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

Arthur R. Brown

TITLE

Agent for
FORD CHAPMAN AND ASSOCIATES

DATE

AUGUST 15, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED (Orig. Sgd.) PETER W. CHESTER

TITLE

ACTING DISTRICT ENGINEER

DATE

AUG 28 1980

CONDITIONS OF APPROVAL, IF ANY:

N MEXICO OIL CONSERVATION COMMISS
WELL LOCATION AND ACREAGE DEDICATION PLAT

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Form C-102
 Supersedes C-128
 Effective 1-1-65

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All distances must be from the outer boundaries of the Section.

Operator FORD CHAPMAN & ASSOC.		Lease GULF "A" FED.		O. C. D. ARTESIA, OFFICE	Well No. 1
Tract Letter D	Section 13	Township 26 South	Range 29 East	County Eddy	
Actual Footage Location of Well: 840 feet from the North line and 330 feet from the West line					
Ground Level Elev 2978.4	Producing Formation DELAWARE		Pool BRUSHY DRAW DELAWARE	Dedicated Acreage: 40 Acres	

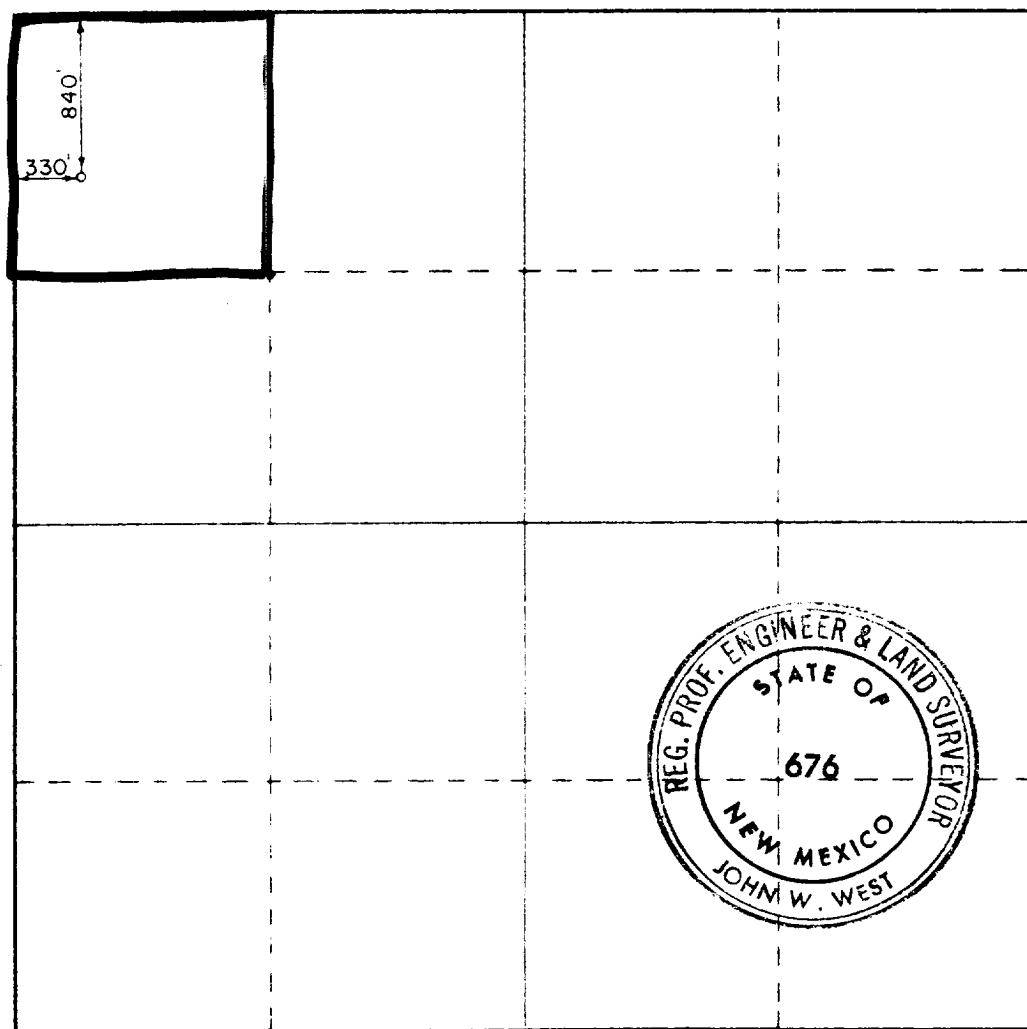
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty)
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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

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CERTIFICATION

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

Name *Arthur R. Brown*
Arthur R. Brown

Position
AGENT FOR

Company
FORD CHAPMAN AND ASSOCIATES

Date
AUGUST 13, 1980

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 supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
7-21-80

Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6663
 Gerald L. Eldred 3239



M.O.C.D. COPY

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FORD CHAPMAN & ASSOCIATES
GULF "A" FEDERAL NO. 1
840' FNL, 330' FWL, SEC 13 T. 26 S. R. 29 E.
EDDY COUNTY LEASE NO. LC-C 61497

Above Data Required on Well Sign

GENERAL REQUIREMENTS
FOR
OIL AND GAS OPERATIONS ON FEDERAL LEASES

These General Requirements apply generally to all oil and gas operations on Federal leases. They apply specifically to the above described well. Special requirements that apply and are effective for this well, if any, are check-marked in section 15 of these General Requirements.

1. GENERAL:

- A. Full-compliance with applicable laws and regulations, with the approved Permit to Drill, and with the approved Surface Use and Operations Plan is required. Lessee's and/or operators are fully accountable for the actions of their contractors and subcontractors.
- B. Each well shall have a well sign in legible condition from spud date to final abandonment. The sign should show the operator's name, lease name or unit name, well number, location of the well and the lease serial number.
- C. A complete copy of the approved Application for Permit to Drill and the accompanying Surface Use and Operations Plan along with any conditions of approval shall be available to authorized personnel at the drillsite whenever active construction or drilling operations are underway.
- D. A drilling operations progress report is to be submitted daily from spud date until the well is completed and the Well Completion Report (form 9-330) is filed. The report should be on paper not less than 5 X 8 inches in size and each page should identify the well by operator's name, well name and number, and by well location.
- E. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life. (See NTL-3)
- F. No construction activities, such as roads, well sites, tank battery sites, pits, or other work involving surface disturbance will be commenced until a Surface Use and Operations Plan is submitted and approval obtained.
- G. If, during operations, any archeological or historical sites, or any object of antiquity subject to the Antiquities Act of June 8, 1906, are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the appropriate offices of the Geological Survey and the Bureau of Land Management.
- H. Prior approval is required for variance from the approved drilling program and operations, including operations, plugback work, casing repair work, corrective cementing, well work, or suspending drilling operations indefinitely. Emergency approval may be obtained orally, but such approval does not waive the written report requirements.

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- I. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.
 - J. All shows of fresh water and minerals will be reported and protected.
 - K. Well area and lease premises will be maintained in a workmanlike manner with due regard to safety, conservation, and appearance. All waste associated with the drilling operations will be contained and will be buried in place (in a separate trash pit) or removed and deposited in an approved sanitary landfill. All garbage (metal containers will be crushed) and debris left on site will be buried at least two feet deep. All trash and debris will be buried or removed from the site within one month after removal of the drilling rig and/or completion rig, and the wellsite will be kept clean and in an aesthetically satisfactory condition for the life of the well.
 - L. Unless drilling operations are commenced within one year, approval of an Application for Permit to Drill will automatically expire. A written request for extension may be granted if timely submitted.
2. CONSTRUCTION ACTIVITIES, (ALSO REFER TO SEC. 3, DRILLING PITS):
- A. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the Surface Use Plan, the conditions of approval and a copy of sec. 2 and 3 of these General Requirements.
 - B. No caliche, gravel, or other related minerals from new or existing pits on Federal land will be used in construction of roads, well sites, etc., without prior approval from the Bureau of Land Management.
 - C. Vegetative materials removed during construction must be disposed of in such manner that it does not detract from the aesthetics of the area and does not accelerate erosion. Vegetation removed during clearing operations should be placed in drainages, washes, gullies, etc., and "walked down" by crawler type tractor. If there are no drainages in the immediate area, the vegetation should be "walked down" in place. All trash resulting from construction activities will be disposed of. Any large rocks resulting from construction activities will not be piled or left in rows but will be left so they do not detract from the natural appearance of the area. Any available topsoil encountered during construction should be stockpiled for use in restoring the pit area after the pits are covered.
 - D.
 - E. Each existing fence to be crossed by the permittee will be braced and tied off before cutting so as to prevent slacking of the wire. The opening will be protected as necessary during construction to prevent the escape of livestock and upon completion of construction, the fence will be repaired back to the original standard of the existing fence. A cattleguard will be installed in any fence where a road is to be regularly traveled. A twelve foot gate will be installed adjacent to the cattleguard when necessary.

NOTE: Sec. 2-C and 2-D above apply primarily to Federal Surface. If the land is privately owned, these requirements may be varied to comply with the operator-landowner agreement.

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3. DRILLING PITS:

- A. Mud pits will be constructed so as not to leak, break or allow discharge of liquids. Pits are not to be located in natural drainage. Any plastic material used to line pits must be removed to below ground level before pits are covered.
- B. All unguarded pits containing liquids will be fenced.
- C. Liquids in pits will be allowed to evaporate, or be properly disposed of otherwise, before pits are broken. Under no circumstances will pits be allowed to be cut to be drained.

4. CASING AND CEMENTING REQUIREMENTS:

- A. Surface casing is to be set at sufficient depth to protect fresh water zones and cement circulated to the surface. In areas where the salt section (Salado) is present, surface casing should be set at least 50 feet into the Rustler Anhydrite and cement circulated to the surface. If surface casing is set at a lesser depth, the first string of casing set below the salt section must be cemented from the casing shoe to the surface or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler, after cementing around the shoe with sufficient cement to fill to the base of the salt section, minimum.
- B. Intermediate and production casing strings are to be set and cemented as necessary to effectively isolate and seal off all water, oil, gas or potash bearing strata encountered in the well down to the casing point. Where the salt section is present, the minimum required cement fill behind the first casing string, either production or intermediate, set below the salt section is back to above the base of the salt section.
- C. Prior to drilling the plug after cementing, all casing strings shall be pressure tested. Test pressure shall not be less than 600 psi for surface casing, and a minimum of 1,500 psi or 0.2 psi/ft., whichever is greater, for other casing strings. If the pressure declines more than 10 percent in 30 minutes, or if there is other indication of a leak, the casing shall be recemented, repaired, or an additional casing string run, and the casing shall be tested again in the same manner.
- D. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until the cement has reached a compressive strength of at least 500 psi at the shoe, except that in no case shall tests be initiated until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log.

5. BLOWOUT PREVENTION:

- A. Blowout preventers and related well-control equipment shall be installed, tested and used in such manner necessary to prevent blowouts.
- B. Ram-type blowout preventers and related control equipment shall be pressure tested with water to the rated working pressure of the stack assembly (except that the annular-type preventer may be tested to 70 percent of rated working pressure): (a) when installed, (b) before drilling possible abnormally pressured zones, and (c) following repairs that require disconnecting a pressure seal in the assembly.
- C. While drill pipe is in use, ram-type blowout preventers shall be actuated to test proper functioning once each trip, but in no event less than once each day. The annular-type blowout preventer shall be actuated on the drill pipe at least once each week.
- D. Blowout preventers are to have proper rams for the operations being performed. Casing rams are required when running casing.
- E. Blowout preventers are to have handwheels installed.
- F. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.

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- G. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- H. Drill string safety valve(s) to fit all pipe in the drill string are to be maintained on the rig floor while drilling operations are in progress.
- I. Blowout prevention drills are to be conducted as necessary to assure that equipment is operational and that each crew is properly trained to carry out emergency duties. All BOP tests and drills are to be recorded in the driller's log.
- J. The maximum pressure to be allowed on blowout preventers during well control operations is to be posted for each casing string.
- K. The characteristics, use, and testing of drilling mud and the conduct of related drilling procedures shall be such as are necessary for well control. Quantities of mud materials sufficient to insure well control shall be maintained, readily accessible for use at all times.
- L. When coming out of the hole with drill pipe, the annulus shall be filled with mud before the mud level drops below 100 feet. The volume of mud required to fill the hole shall be watched, and any time there is an indication of swabbing, or influx of formation fluids, proper blowout prevention precautions must be taken. The mud shall not be circulated and conditioned except on or near bottom, unless well conditions prevent running pipe to bottom.
- M. From the time drilling operations are initiated and until drilling operations are completed, a member of the drilling crew or the toolpusher shall maintain rig floor surveillance at all times, unless the well is secured with blowout preventers or cement plugs.

6. REPORTS:

- A. The following reports shall be filed with the District Engineer within 15 days after the work is completed:
 - (1) Five copies of Sundry Report, Form 9-331, giving complete information concerning:
 - (a) Setting of each string of casing. Show size, grade and weight of casing set, size hole, depth set, amount and type of cement used, whether cement circulated, top of cement behind casing if determined, depth of cementing tools if used, casing test method and results, and date work was done. Show spud date on first report submitted.
 - (b) Intervals tested, perforated, acidized, or fractured and results obtained. Show date work was done.
 - (2) Four copies of Well Completion Report, Form 9-330. Show formation tops, drill stem test information, completion data, and production tests. Show all oil and gas zones and important water sands under item 37. Data on water sands should include rate of water inflow and elevation to which water rose in hole.
 - (3) Two copies of all electrical and radioactivity logs run.

7. DRILLER'S LOG:

- A. The following shall be entered in the daily driller's log:
 - (1) Blowout preventer pressure tests including test pressures and results.
 - (2) Blowout preventer tests for proper functioning.
 - (3) Blowout prevention drills conducted.
 - (4) Casing run, including size, grade, weight and depth set.
 - (5) How pipe was cemented, including amount of cement, type, whether cement circulated, location of cementing tools, etc.

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- (6) Waiting on cement time for each casing string.
- (7) Casing pressure tests after cementing including test pressure and results.
8. DRILLSTEM TESTS:
- A. Estimated amounts of oil and gas recovered and/or produced during drillstem tests are to be shown in the driller's log and reported in accordance with NTL-4A.
9. GAS FLARING:
- Pursuant to NTL-4A
10. WATER DISPOSAL:
- A. An application for approval of the disposal method for water production from all new wells must be filed with the District Engineer pursuant to Section VII of NTL-2B. Failure to timely file such application will be considered an incident of non-compliance and will be grounds for issuing a shut-in order until the application is submitted.
11. SAFETY:
- A. All rig heating stoves are to be the explosion-proof type.
- B. Drilling rig engines should have water cooled exhausts.
- C. Rig safety lines are to be installed.
- D. Hard hats must be utilized.
12. SUBSEQUENT OR CHANGE OF PLANS:
- A. Any additional construction, re-construction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan and prior approval by the Survey after clearance with the surface management agency.
13. REMOVAL OF DRILLING RIG:
- A. Unless a well has been properly cased and cemented, or properly plugged, the drilling rig must not be moved from the drillsite without prior approval from the Survey.
14. ABANDONMENT:
- A. If the well is dry and is to be plugged, approval of the proposed plugging program may be obtained orally. However, oral approval must be confirmed in writing by immediately filing a Notice of Intention to Abandon on Form 9-331 in quintuplicate with the District Engineer. The report should show the total depth reached, the reason for plugging, and the proposed intervals, by depths, where cement plugs are to be placed, type of plugging mud, etc.
- B. Upon completion of approved plugging, erect a regulation well marker which should not be less than 4 inches in diameter and extend at least 4 feet above general ground level. Heap up the dirt around the base of the marker about 12 inches to take care of any settling of the cellar. The top of the marker must be closed or capped. The following minimum information shall be permanently placed on the marker with a plate, cap, or welded bead:
- (1) Operator
 - (2) Well number and name
 - (3) Section - Township - Range
 - (4) $\frac{1}{4}$ section or footage location from section lines

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- C. If, upon abandonment of wells on Federal surface, the retention of the well pad and/or access road is not considered necessary for the management and multiple use of the natural resources, they will be ripped a minimum of 12" in depth. All ripped surfaces are to be protected from vehicular travel by construction of a dead-end ditch and earthen barricade at the entrance to these ripped areas. (Reseeding of the affected areas may be required.)
- D. Surface restoration after abandonment of wells on non-Federal surface normally will be in accordance with the operator - landowner agreement.
- E. Within 15 days after plugging the well, a Subsequent Report of Abandonment is to be filed on form 9-331 in quintuplicate showing the manner in which the well was plugged, including depths where casing was cut and pulled from, intervals, by depths, where cement plugs were placed, and the date plugging was completed. When all surface restoration work is completed, advise the District Office so that a field inspection of the wellsite can be made.

15. SPECIAL STIPULATIONS:

The following special requirements apply and are effective when check-marked.

☒ A. 10 3/4" surface casing should be set in the Rustler Anhydrite formation and cement circulated to the surface. If surface casing is set at a lesser depth, the 4 1/2" casing must be cemented from the casing shoe to the surface or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler after cementing around the shoe with sufficient cement to fill to the base of the salt section.

☒ B. Before drilling below the 10 3/4" casing, the blowout preventer assembly will consist of a minimum of one ram type and two ram type preventers.

☐ C. Casing protectors will be run on drill pipe while drilling through the _____ casing. Protectors will be of sufficient number and of sufficient outside diameter to protect the casing.

☐ D. Minimum required fill of cement behind the _____ casing is to _____

☐ E. After setting the _____ casing string and before drilling into the _____ formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling into the _____ formation and used until production casing is run and cemented. Monitoring equipment shall consist of the following:

- (1) A recording pit level indicator to determine pit volume gains and losses.
- (2) A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips.
- (3) A flow sensor on the flow-line to warn of any abnormal mud returns from the well.

☐ F. For the protection of livestock and wildlife all pits containing toxic liquids will be fenced and covered with a fine mesh netting (i.e. Hardware Cloth) with openings being 1/2 inch or less.



- G. Above ground permanent structures and equipment shall be painted in accordance with the attached Painting Guidelines. The paint color is to simulate:

☐ Sandstone Brown, Fed. Std. 595-20318 or 30318

☐ Sagebrush Gray, Fed. Std. 595-26357 or 36357



- H. A kelly cock will be installed and maintained in operable condition.



- I. The District Office is to be notified in sufficient time for a representative to witness cementing of the _____ casing.



- J. A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the U. S. Geological Survey, P. O. Drawer 1857, Roswell, New Mexico 88201. The effective date of the agreement must be prior to any sales.



- K. A Gamma Ray-Compensated Neutron log is required from the base of the salt section to the surface with cable speed not to exceed 30 feet per minute.



- L. At least one working day prior to constructing the well pad, access roads and/or related facilities, the operator or dirt contractor shall notify the authorized officer (Bureau of Land Management, Carlsbad Resource Area, 505-887-6544). He shall also notify the Authorized Officer within two working days after completion of earth-moving activities.



- M. All access roads constructed in conjunction with the drilling permit (APD) will be limited to a 12 foot wide driving surface, excluding turn-arounds. Surface disturbance associated with construction and/or use of the road will be limited to 20 feet in width. If well is a producer, all roads will be adequately drained to control runoff and soil erosion. Drainage facilities may include ditches, water bars, culverts and/or any other measures deemed necessary by the authorized officer of the BLM. The following is a general guide for the spacing of water bars:

% Slope

less than 2%	200 ft.
2% to 4%	100 ft.
4% to 5%	75 ft.
more than 5%	50 ft.



- N. Special Stipulations:

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SUPPLEMENTAL DRILLING DATA

FORD CHAPMAN AND ASSOCIATES
WELL NO. 1 GULF "A" FEDERAL

1. SURFACE FORMATION: Quaternary.
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Rustler Anhydrite	350
Delaware Lime	3125
Delaware Sand	3180

3. ANTICIPATED POSSIBLE WATER AND HYDROCARBON BEARING ZONES:

Fresh Water	Above 350'
Oil	Delaware Sand

4. PROPOSED CASING AND CEMENTING PROGRAM:

CASING SIZE	SETTING DEPTH		WEIGHT	GRADE	JOINT
	FROM	TO			
10-3/4"	0	350	32.75#	H-40	STC
4-1/2"	0	3300	9.5#	K-55	STC

Hole for surface casing will be drilled to below fresh water zones. Surface casing will then be run to bottom and cemented to the surface to protect fresh water zones.

Surface casing is large enough to run 8-5/8" and 7" cave and/or water shut-off casing strings if necessary to do so. If either or both of these casing strings are run they will be mudded in and will be pulled.

10-3/4" surface casing will be cemented to the surface with class "C" cement,

4-1/2" production casing will be cemented with 50 sacks of Class "C" cement.

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5. PRESSURE CONTROL EQUIPMENT:

Pressure control equipment will consist of a control valve and oil saver.

6. CIRCULATING MEDIUM:

This will be a cable tool hole. Water will be the drilling fluid.

7. AUXILIARY EQUIPMENT:

Not applicable.

8. TESTING, LOGGING AND CORING PROGRAM:

No coring is planned.

Formation tests will be made as warranted by bailing hole down and measuring fluid entry rate.

It is planned that a Gamma Ray - Sonic log will be run.

9. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE GAS:

None anticipated.

10. ANTICIPATED STARTING DATE:

It is planned that drilling operations will commence about August 28, 1980, with drilling and completion operations lasting about 45 days.

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SURFACE USE AND OPERATIONS PLAN

FOR

FORD CHAPMAN AND ASSOCIATES
WELL NO. 1 GULF "A" FEDERAL
840' FNL & 330' FWL SEC. 13, T. 26 S., R. 29 E.
EDDY COUNTY, NEW MEXICO

LOCATED: 14 air miles southeast of Malaga, New Mexico.

FEDERAL LEASE NUMBER: Las Cruces 061497.

LEASE ISSUED: May 1, 1949. Lease is in producing status.

RECORD LESSEE: Gulf Oil Corporation.

ACRES IN LEASE: 640.

SURFACE OWNERSHIP: Federal.

GRAZING PERMITTEE: Herman Lindley
P. O. Box 213
Mentone, Texas 79754

POOL: Brushy Draw Delaware. Statewide rules.

EXHIBITS: A. General Road Map
B. Plat Showing Existing Wells and Existing Roads
C. Drilling Rig Layout
D. Topo Plat

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ARTESIA, OFFICE1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a road map showing the location of the proposed well. Point "A" on the map is on US-285 approximately 13 miles south of Malaga, New Mexico, and between mileposts Nos. 3 and 4. To reach the well site from this point, exit US-285 to the east-northeast on a paved road. There is a sign on the fence for the D. B. Baxter Ross Draw Unit. From this point, cross the railroad at 2.4 miles, the river bridge at 3.7 miles and pass a ranch house at 6.5 miles. About 0.5 mile past the ranch house turn south through a cattle guard. There is a sign here for the Ross Draw Unit. From this point cross Brushy Draw at 1.7 miles. The road forks at 1.8 miles - go left. The road forks again at 2.2 miles - go left. The proposed well site is about 500 feet past this point on the left side of the road.
- B. Exhibit "B" is a plat showing existing roads in the vicinity of the well site. Existing roads are color coded.
- C. Any repairs to existing roads do not appear necessary at the present time, except that the last 0.4 mile of existing road to be used for access may be up-graded as necessary by topping with caliche.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The new road will be 12 feet wide and approximately 150 feet long. The new road is labeled and color coded red on Exhibit "B". The center line of the proposed new road, from the beginning to the well site, has been staked and flagged with the stakes being visible from any one to the next.
- B. Surfacing Material: Six inches of caliche, watered, compacted, and graded.
- C. Maximum Grade: Two percent.
- D. Turnouts: None required.
- E. Drainage Design: New road will be crowned with drainage to both sides.
- F. Culverts: None required.

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G. Cuts and Fills: Cut and fill will be very minor.

H. Gates and Cattle Guards: None required. No fences involved.

3. LOCATION OF EXISTING WELLS:

A. Existing wells in the area are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. There has been previous development on the leasehold, however existing wells and facilities are owned by another operator.

B. If the proposed well is productive, the tank battery and flow line will be located on the well pad and no additional surface disturbance will be necessary.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is not planned that a water well will be drilled. Water necessary for drilling operations will be purchased and hauled to the well site over existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. There is a caliche pit in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 13, T. 26 S., R. 29 E., Eddy County, New Mexico. Caliche needed for construction work will be taken from this pit and will be trucked to the well site over existing and proposed roads.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. Drill cuttings will be disposed of in the drilling pits.

B. Drilling fluid will be allowed to evaporate in the drilling pit until the pit is dry.

C. Water produced during tests will be disposed of in the drilling pit. 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.

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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. Location of the trash pit is shown on Exhibit "C".

F. All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.

9. WELL SITE LAYOUT:

A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pit, trash pit, and the location of major rig components.

B. Minor levelling of the well site will be required. An approximate 2-foot cut will be required on the north side and a corresponding fill on the south side.

C. The pad and pit area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE:

A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.

B. Any unguarded pits containing fluids will be fenced until they are filled.

C. After abandonment, all equipment, trash and junk will be removed and the location cleaned. Any special rehabilitation and/or special revegetation requirements of the surface management agency will be complied with and accomplished as expeditiously as possible.

11. OTHER INFORMATION:

A. Topography: The land surface is relatively level. Regional slope is to the southwest.

B. Soil: Top soil at the well site is a gravelly, sandy loam.

C. Flora and Fauna: The vegetative cover is sparse and consists

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of mesquite, grease wood, yucca, weeds and range grasses. Wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.

- D. Ponds and Streams: The Pecos River is approximately three miles west of the proposed well site. Red Bluff Reservoir is approximately three miles southwest of the well site.
- E. Residences and Other Structures: There are no occupied dwellings or windmills within two miles of the proposed well site.
- F. Archaeological, Historical, and Other Cultural Sites: None observed in the area.
- G. Land Use: Grazing and hunting in season.
- H. Surface Ownership: Federal.

12. OPERATOR'S REPRESENTATIVE:

Representative responsible for assuring compliance with the approved Surface Use Plan is:

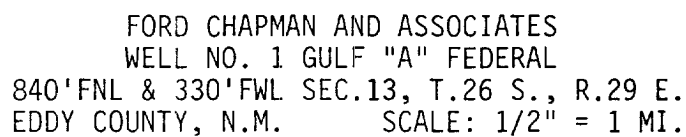
Ford Chapman
P.O. Box 2376
Midland, Texas 79702
Office Phone: 915-682-3217
Home Phone: 915-682-0318

13. CERTIFICATION:

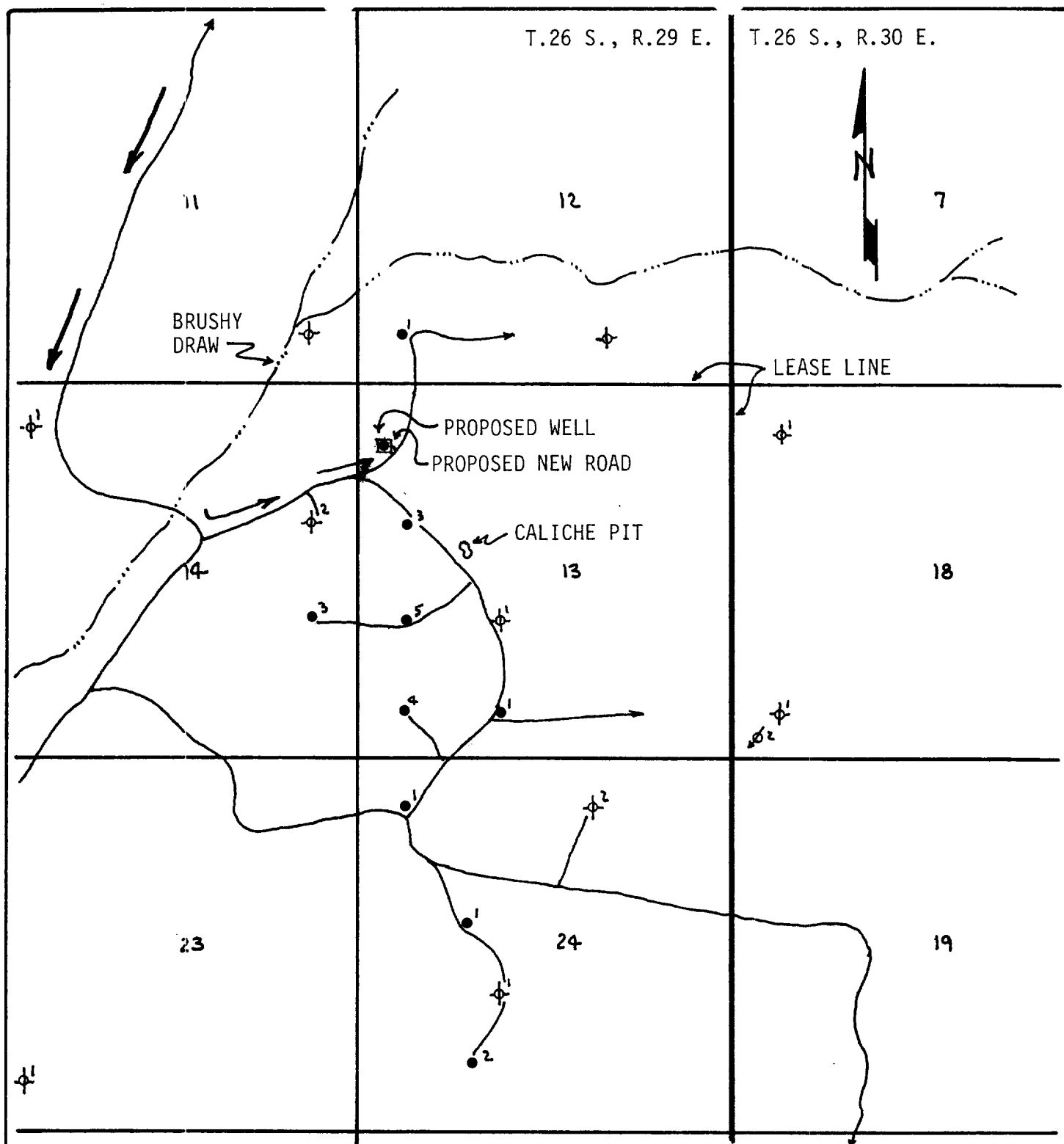
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated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

August 12, 1980
Date:


Arthur R. Brown, Agent for
FORD CHAPMAN AND ASSOCIATES



FORD CHAPMAN AND ASSOCIATES
WELL NO. 1 GULF "A" FEDERAL
840'FNL & 330'FWL SEC.13, T.26 S., R.29 E.
EDDY COUNTY, N.M. SCALE: 1/2" = 1 MI.



LEGEND:

- Oil Well
- ⊕ Plugged Well
- Proposed Well
- Existing Roads
- Proposed New Road

EXHIBIT "B"

FORD CHAPMAN AND ASSOCIATES
 WELL NO. 1 GULF "A" FEDERAL
 840' FNL & 330' FWL SEC. 13, T.26 S., R.29 E.
 EDDY COUNTY, N.M. SCALE: 1" = 2000'

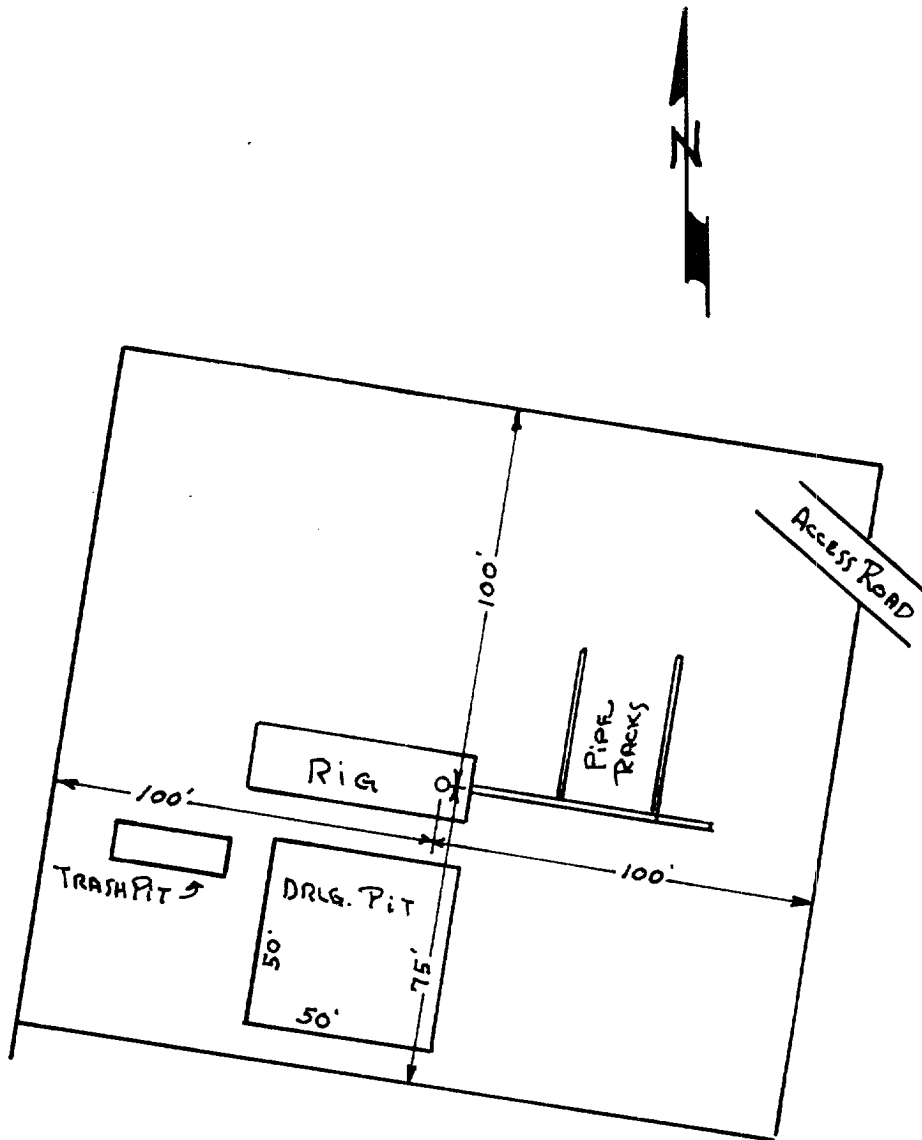


EXHIBIT "C"

FORD CHAPMAN AND ASSOCIATES
WELL NO. 1 GULF "A" FEDERAL

DRILLING RIG LAYOUT
SCALE: 1" = 50'

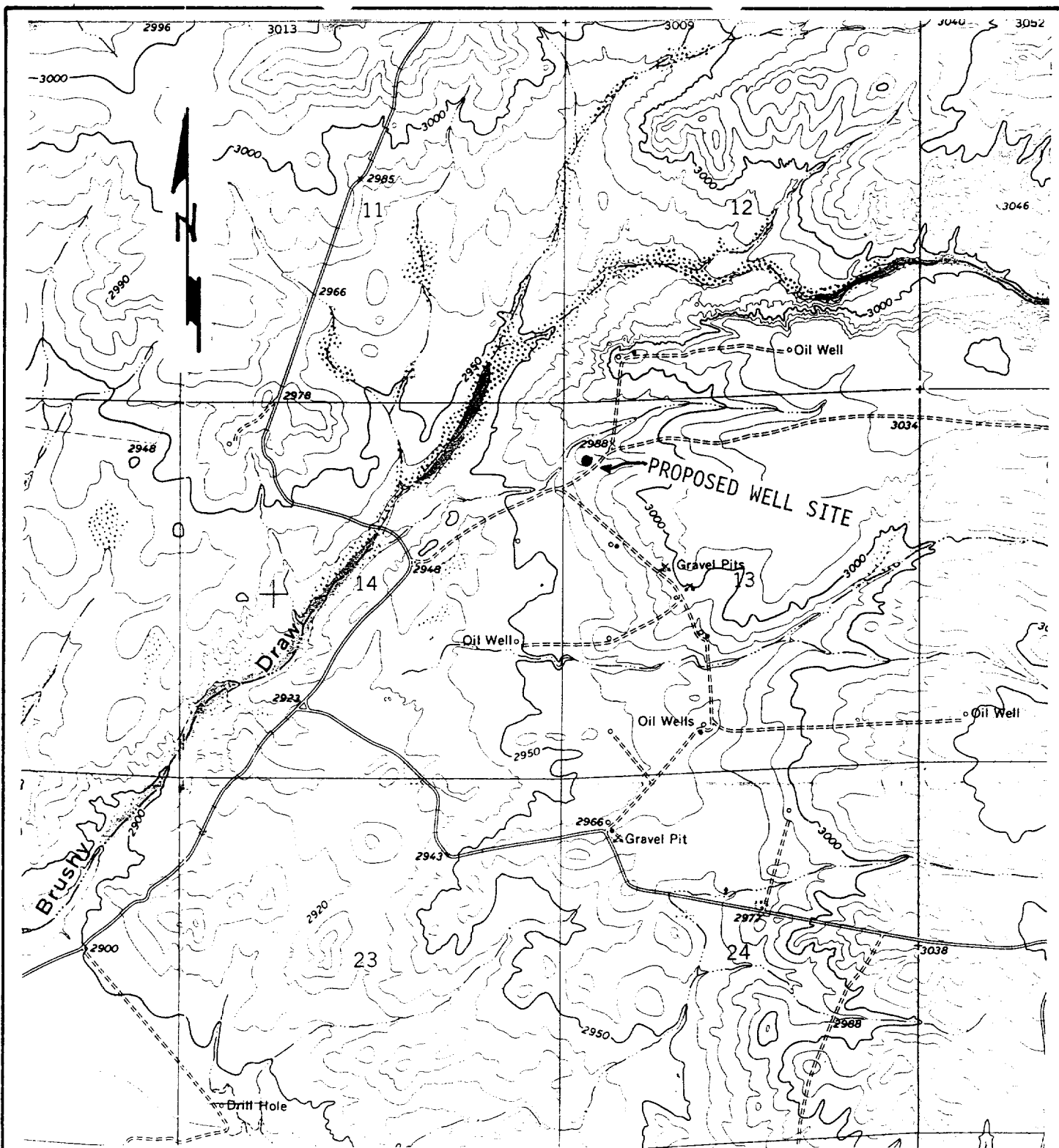


EXHIBIT "D"

FORD CHAPMAN AND ASSOCIATES
 WELL NO. 1 GULF "A" FEDERAL
 CONTOUR INTERVAL: 10' SCALE: 1" = 2000'