

**MULTI-POINT SURFACE USE & OPERATIONS PLAN****HOBBS OCD**

**TEXLAND PETROLEUM - HOBBS, L.L.C**  
**RFL Trust 25 Federal #1H**  
**LEA COUNTY, NEW MEXICO**  
**LEASE NO. NM NM 123537**

**DEC 14 2011****RECEIVED**

**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 affects associated with the operation.**

**A registered New Mexico land surveyor has staked the well and work area. Archeological Survey Consultants has been engaged to make an archaeological reconnaissance of the work area. Their findings concerning cultural resources will be reported to the Bureau of Land Management.**

1. Existing Roads

A copy of a USGS "Humble City NW, NM" topographic map is attached showing the proposed location. The well location is spotted on this map, which also shows the existing road system and proposed entrance road. **See Exhibit "B".**

Directions to location: From Hobbs, New Mexico, proceed north on SH 132 for 11 miles to ST 133. Turn right (east) and proceed 1.9 miles to lease road on right. Proceed on lease road to location.

2. Planned Access Road

- A. A new lease road will be build an est ½ mile west and est 300' south to the location from an existing entrance off ST 133;.
- B. Surfacing material: Caliche
- C. Maximum Grade: no grade
- D. Turnouts: None
- E. Drainage Design: Edges of caliche location and road sloped
- F. Culverts: None
- G. Cuts and Fills: none
- H. Gates or cattle guards: Yes, an existing ST 133 entrance.

3. Existing wells within a one mile radius of the proposed development well are shown on **Exhibit "D".**

4. Location of Existing and /or Proposed Facilities

- A. If the well is productive, production facilities will be constructed on the lease. The facility will consist of a heater treater, two 500 bbl oil tanks and one 300 bbls fiberglass water tank. All permanent above ground facilities will be painted

in accordance with BLM's painting guidelines simulating the color of sandstone brown.

- B. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to and a site security plan will be submitted for the tank battery. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

5. Location and Type of Water Supply

Fresh water and brine water will be used to drill this well. It will be purchased from a supply in Hobbs and transported to the well site.

6. Source of Construction Materials

Caliche for surfacing the well pad will be obtained from either onsite material or Lawrence Enterprises, Hobbs, NM.

7. Method of Handling Waste Disposal

- A. Drill cuttings, drill solids, drill fluids and all liquids will be disposed of in solid roll of bins to be hauled off by NOV Brandt, Hobbs, NM to Sundance Services, Eunice NM (NM 01-0003).
- B. Oil produced during tests will be stored in test tanks until sold.
- C. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- D. Trash, waste paper, garbage and junk will be collected in steel trash bins and removed after drilling and completion operations are completed. All waste material will be contained to prevent scattering by the wind.
- E. All trash and debris will be 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 show on the well site layout sketch. The V-door will be to the west and the pits to the southeast. **Exhibit "F"**.
- B. Leveling of the wellsite will be required with minimal cuts or fills anticipated.

E. The pad and pit area have been staked and flagged.

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.

B. The location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible.

C. After abandonment of the well, surface restoration will be in accordance with the land owner. This will be accomplished as expeditiously as possible.

11. Surface Ownership

The wellsite is on privately owned surface. The surface is owned by: Ms. Ruth Fingado, Trustee (RLF Trust), 13700 North Denver Highway, Hobbs, NM 88242. Texland has an agreement the surface owner. Confirmation of this agreement is included in this application.

12. Other Information

A. Topography: The location is flat plain. GL elevation is 3684'.

B. Soil: Sandy clay loams

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: 3338' to the northeast (Residence) / 2806' to west-southwest (Barn)

F. Archaeological, Historical and Cultural Sites: No cultural resources have been recorded in the area. Archeological Survey Consultants will be engaged to make an archaeological reconnaissance of the work area.

G. Land Use: Cattle ranching

H. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.

I. After the wellsite is cleaned and pits and sumps backfilled, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be

reseeded with grass if, in the opinion of the land owner, it is required.

13. Operator's Representatives and Certification

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

Jerry Rogers  
Drilling Superintendent  
P.O. Box 1177  
Levelland, Texas 79336  
Office 806/894-4316  
Cell 806/781-3396

Perry Van Zandt  
Drilling Foreman  
P.O. Box 1177  
Levelland, Texas 79336  
Office 432/596-4412  
Cell 432/894-4464

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 Texland Petroleum-Hobbs, LLC and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

9-29-11  
Date


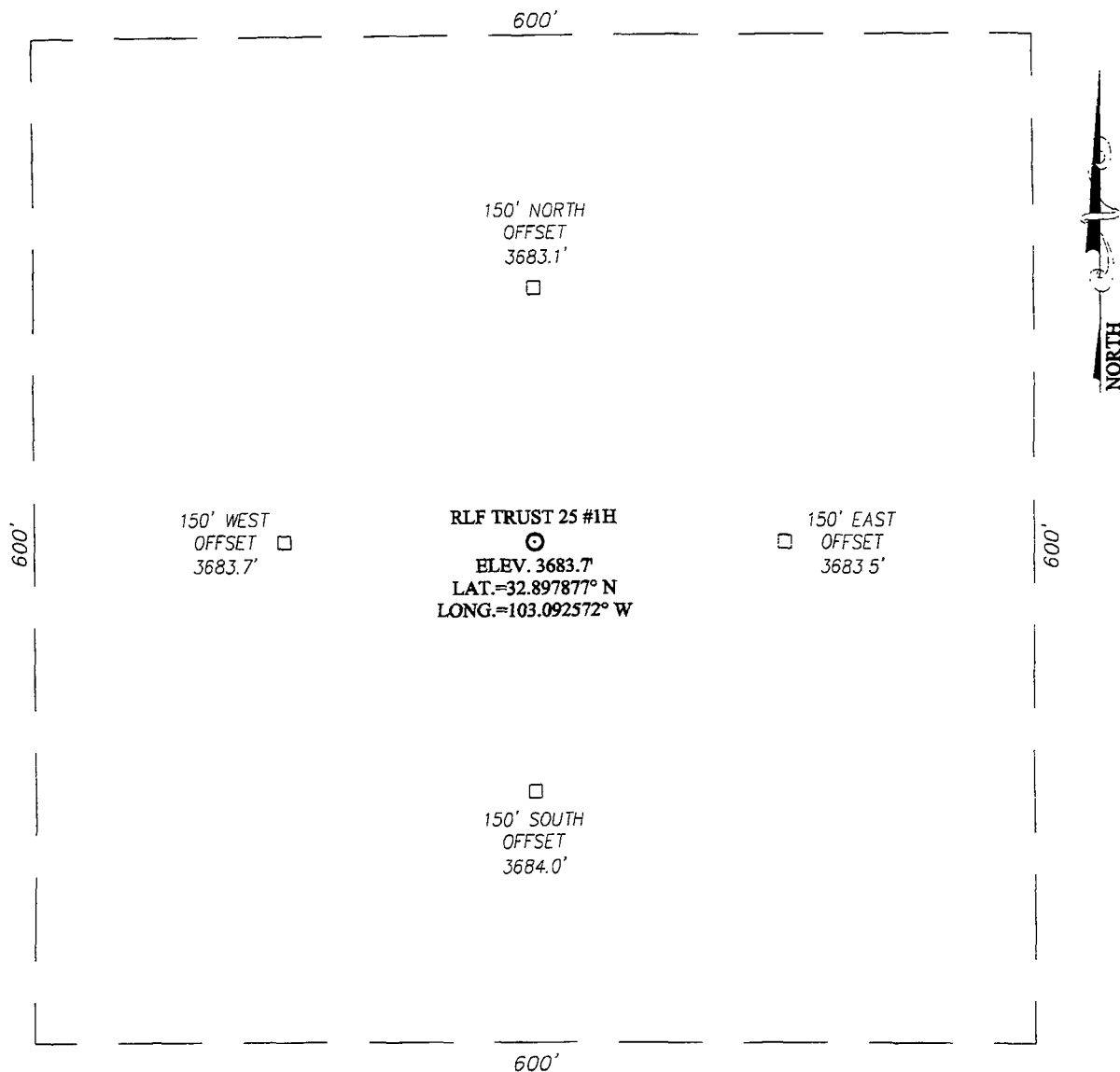
  
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Greg Mendenhall  
Vice President - Operations  
Texland Petroleum-Hobbs, LLC  
817/336-2751

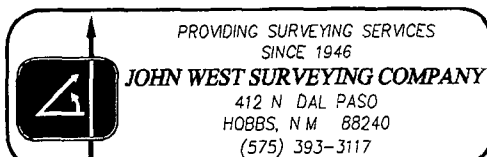
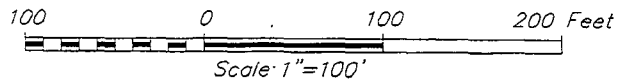
Exhibit "A"

**SECTION 25, TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.**  
LEA COUNTY NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF ST. HWY #132 AND ST. HWY. #133, GO EAST ON ST. HWY. #133 APPROX. 2.0 MILES. TURN RIGHT AND GO SOUTH APPROX. 660 FEET TO THIS LOCATION.

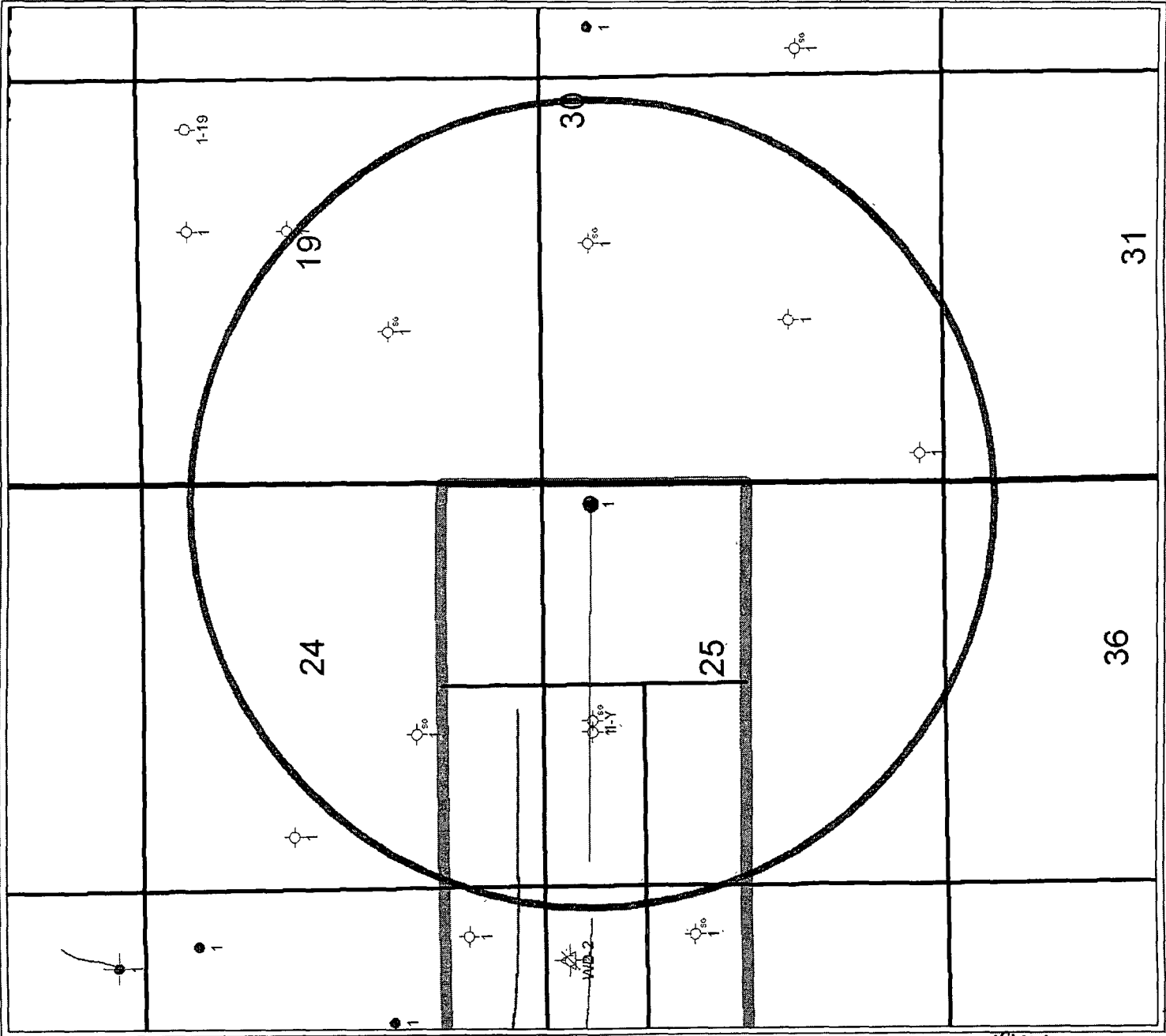


**TEXLAND PETROLEUM, LP**

RLF TRUST 25 #1H WELL  
LOCATED 660 FEET FROM THE NORTH LINE  
AND 330 FEET FROM THE EAST LINE OF SECTION 25,  
TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO

Survey Date: 7/25/11	Sheet 1 of 1 Sheets		
W.O. Number: 11.11.1524	Dr. By: DSS	Rev 1:	
Date: 8/8/11	Rel W.O. .	11111524	Scale: 1"=100'





TEXLAND PETROLEUM, L.P.

RLF TRUST 1

1 MILE RADIUS MAP

Lea County, NM

WELL SYMBOLS

- Location Only
- Oil Well
- Dry Hole
- Service Well
- Temporarily Abandoned
- Abandoned Water Injector
- Abandoned Oil Well
- Abandoned GAS Well

September 23, 2011