

30-025-40706

HOBBS OCD

AUG 01 2012

SURFACE USE AND OPERATIONS PLAN FOR
CHEVRON U.S.A. INC.

RECEIVED

Cross Bones 2 29 #1H

560' FSL and 660' FWL

Section 29, Township 18 South, Range 32 East

Lea County, New Mexico

LOCATED: 24 Miles South of Maljamar

FEDERAL LEASE NUMBER: NM-96855

LEASE ISSUED: 6/1/1996 – Producing & Held by production by North Lusk 29 Federal #1

ACRES IN LEASE: 560 acres

RECORD LESSEE: Chevron U.S.A. Inc.

SURFACE OWNERSHIP: Bureau of Land Management

GRAZING PERMITTEE: Kenny Smith- (575) 390 - 1247

POOL: Bone Spring

POOL RULES: Field rules are for no wells to be located closer than 330' to any 1/4 1/4 section line, to be 330' from the lease line, and 330' from the nearest well.

EXHIBITS:

- A. Access Road and Facilities Map
- B. Drilling Rig Layout Diagram Rig Layout
- C. Well Location and Acreage Dedication Plat

1. EXISTING ACCESS ROADS

- A. Exhibit "B" shows the Proposed Well Site and Access Route. To reach the point where the Exhibit "B" survey begins, you will head West on 62-180 out of Hobbs, NM approximately 40 miles; turn North on State Highway 176 to L126, go approximately 11 miles to where the Exhibit "B" begins.

2. PLANNED RESOURCE ROAD

- A. Existing Roads will be utilized until we reach the existing North Lusk 29 Federal #1 well location. A new road will be build using Caliche coming off of the Southwest corner of North Lusk 29 Federal #1 location headed due west, further described in the attached Exhibit "B". Power lines will also follow this route, further described in Exhibit "C".

3. LOCATION OF EXISTING WELLS

- A. Existing wells on the lease and in the immediate area are shown in Exhibit "B", 4th page.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

- A. A processing facility is located on the location pad of the North Lusk 29 Federal #1 well location. A new standard one well battery will be constructed north of the Cross Bones 2 29 #1H well location. The battery will include tanks, a heater treater, gas scrubber, VRU, and pipe. It will not include a production or test separator and a header. A 2-7/8" steel surface flowline will run from the well to the battery. Oil and water will be trucked. Locations and descriptions of the proposed pad, flowline, and road are shown on the individual surveyor's plats.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Water necessary for drilling will be purchased and trucked to the well site.

6. SOURCE OF HANDLING WASTE DISPOSAL

- A. Caliche needed for the well pad is present on location.

7. METHOD OF HANDLING WASTE DISPOSAL

- A. Drill cuttings and fluids will be hauled to a disposal facility (sunset).
- B. Water produced during tests will be disposed of at commercial or company facilities.
- B. Oil produced during tests will be stored in test tanks until sold.
- D. Trash, waste paper, garbage and junk will be stored in a trash bin located on the drill site pad. It will be transported to an approved landfill for disposal within 30 days after completion of operations. All waste material will be contained to prevent scattering by the wind. Location of trash bin will be on the NE corner of the drill pad.

8. ANCILLARY FACILITIES

9. WELL SITE LAYOUT

- A. Exhibit "B" shows the relative location and dimensions of the well pad. This will be a closed loop system.
- B. Cut and Fill requirements will be minor, but clearing and leveling of the well site will be necessary.

10. PLANS FOR RECLAMATION OF THE SURFACE

- A. After completion of the drilling and/or completion of operations, all equipment and other material not necessary for operators will be removed. Pits will be filled and the location will be 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 the pits are dry.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed oil drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to be best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Chevron U.S.A. Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for filing of a false statement.

01-26-2012

Date

Boyd Schaneman

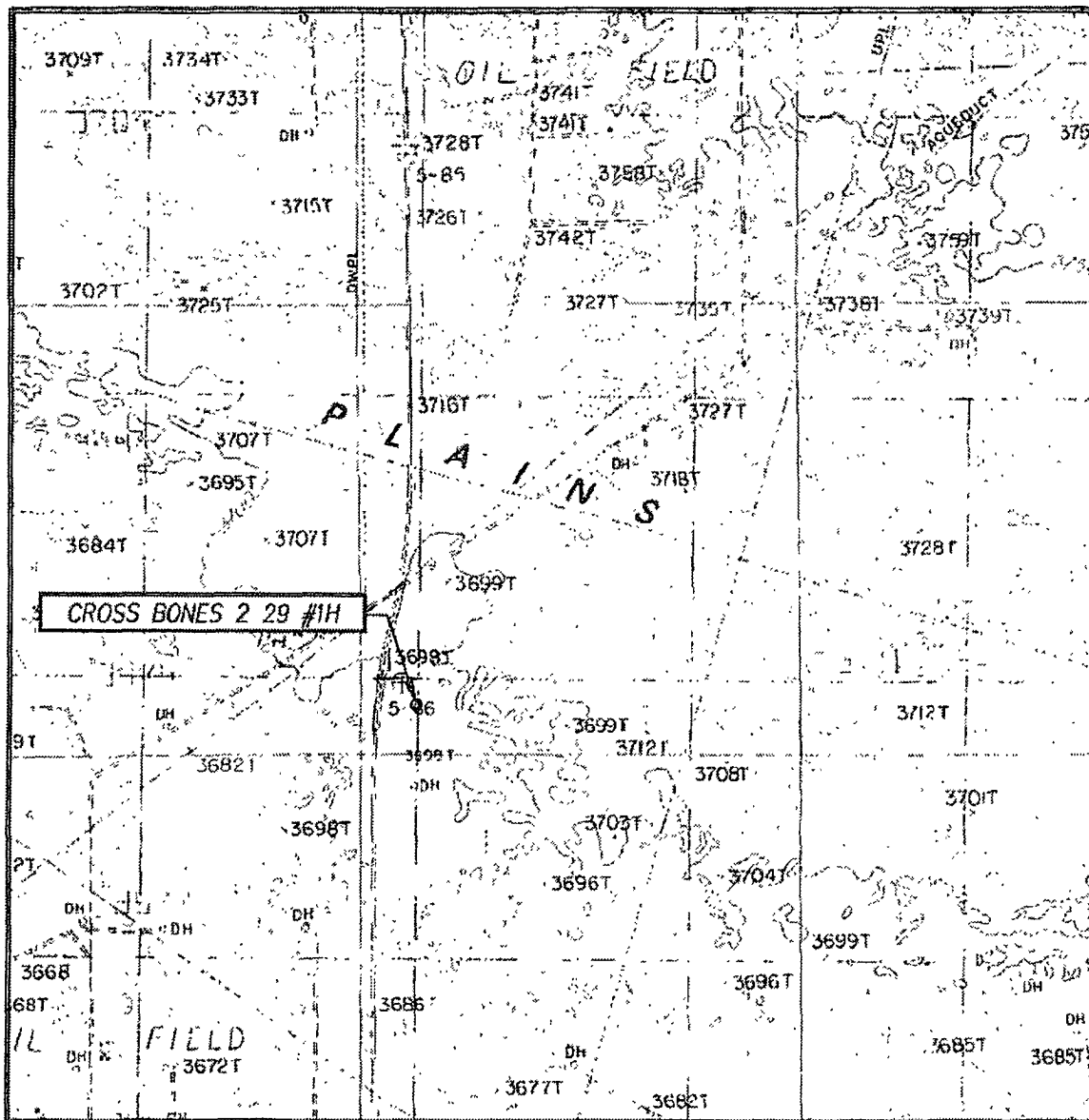
Boyd Schaneman

Drilling Superintendent

Midland, Texas

EXHIBIT "A"

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
GREENWOOD LAKE, N.M. - 10'

SEC. 29 TWP. 18-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

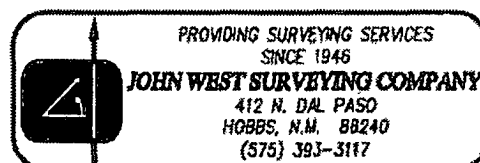
DESCRIPTION 560' FSL & 660' FWL

ELEVATION 3693'

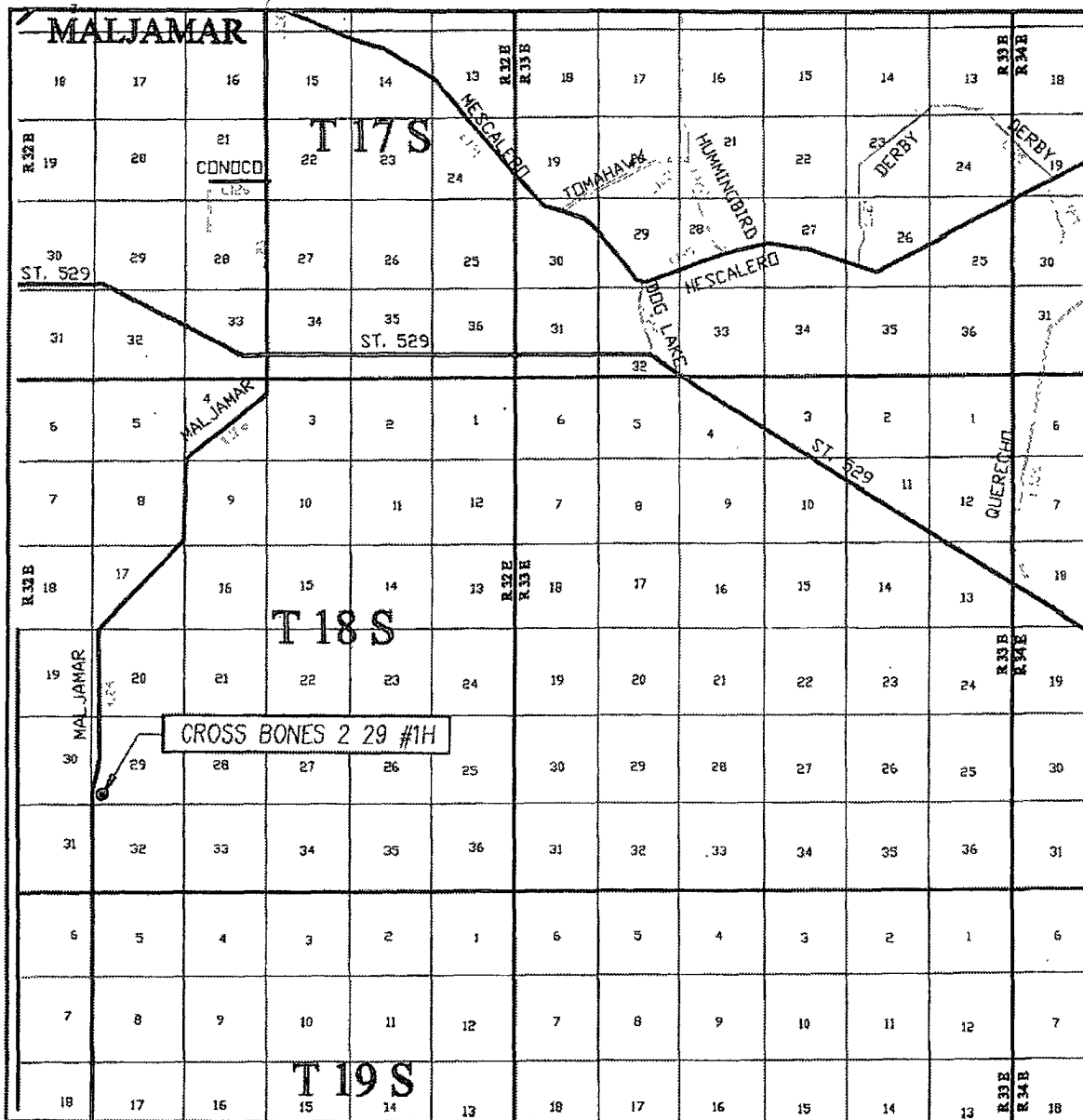
OPERATOR CHEVRON USA INC

LEASE CROSS BONES 2 29

U.S.G.S. TOPOGRAPHIC MAP
GREENWOOD LAKE, N.M.



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 29 TWP. 18-S RGE 32-E

SURVEY N.M.P.M.

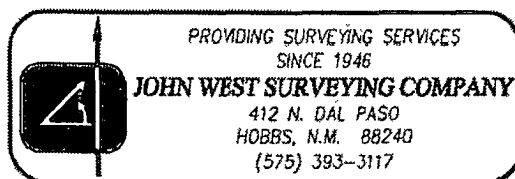
COUNTY LEA STATE NEW MEXICO

DESCRIPTION 560' FSL & 660' FWL

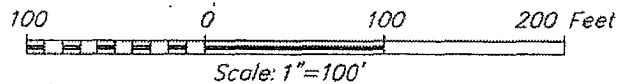
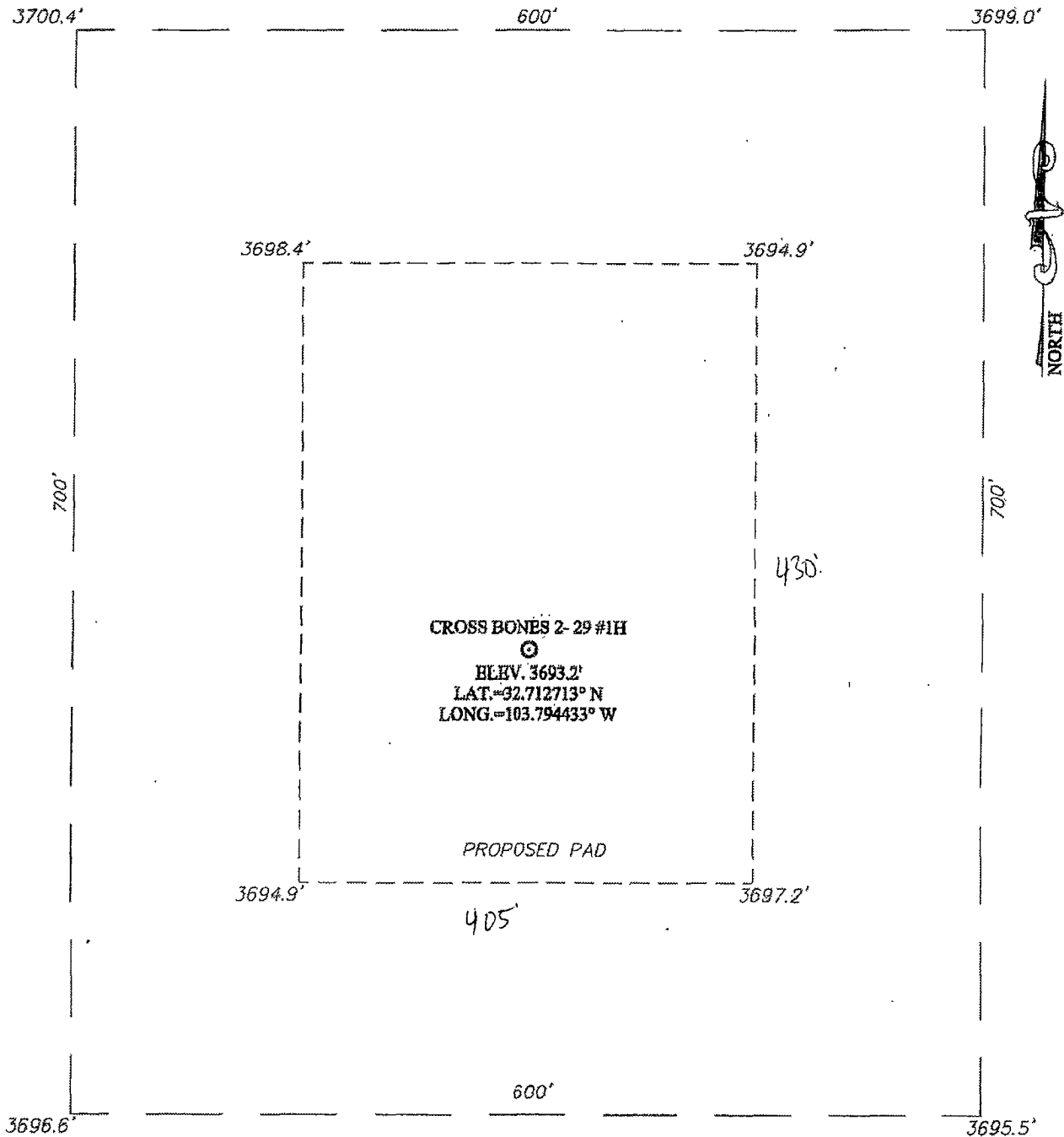
ELEVATION 3693'

OPERATOR CHEVRON USA INC

LEASE CROSS BONES 2 29




SECTION 29, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
 LEA COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #529 AND
 MALJAMAR ROAD, GO SOUTH ON MALJAMAR ROAD
 APPROX. 5.9 MILES. THIS LOCATION STAKE IS
 APPROX. 350 FEET EAST.



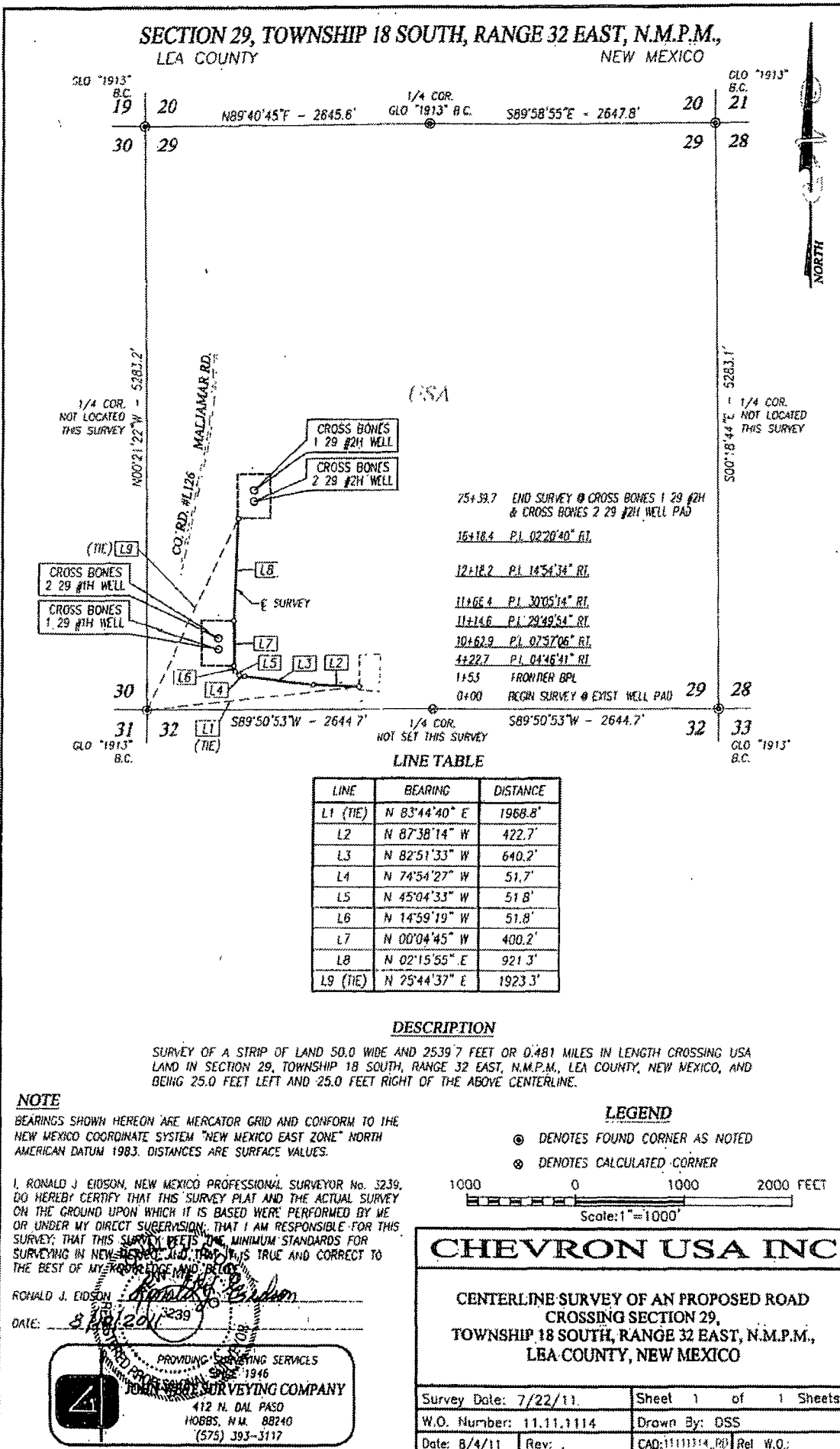
PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

CHEVRON USA INC

CROSS BONES 2 29 #1H WELL
 LOCATED 560 FEET FROM THE SOUTH LINE
 AND 660 FEET FROM THE WEST LINE OF SECTION 29,
 TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO

Survey Date: 6/7/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.1117	Dr. By: LA Rev 1:
Date: 6/13/11	Rel. W.O.: 11111117 Scale: 1"=100'

**SECTION 29, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY
NEW MEXICO**



NEW MEXICO



LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE
L1 (TIE)	S 2°26'53" E	850.4'	L12	N 38°39'39" W	50.7'
L2	N 87°36'36" E	2452.7'	L13	N 13°16'51" W	51.9'
L3	N 81°02'48" E	56.1'	L14	N 09°56'35" E	54.9'
L4	N 60°07'10" E	55.2'	L15	N 27°35'13" E	544.8'
L5	N 38°07'46" E	53.6'	L16	N 24°42'00" E	171.1'
L6	N 7°17'25" E	818.2'	L17	N 10°52'31" E	107.2'
L7	N 05°15'39" E	64.5'	L18	N 01°47'03" E	109.3'
L8	N 29°15'52" W	58.7'	L19	N 01°03'27" W	517.3'
L9	N 63°47'13" W	56.3'	L20	N 03°54'19" E	108.9'
L10	N 72°46'31" W	1161.6'	L21	N 00°23'49" E	492.6'
L11	N 63°55'26" W	53.0'			

CAD:31111114 FD Rel. W.O.,

SECTION 32, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY NEW MEXICO

DESCRIPTION

A STRIP OF LAND 20.0 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 32, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, AND BEING 10.0 FEET LEFT AND 10.0 FEET RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT IN THE NW/4 SW/4 OF SAID SECTION 32, WHICH LIES S12°26'53"E 950.4 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION; THEN N87°36'36"E 2452.7 FEET; THEN N8°02'48"E 56.1 FEET; THEN N60°07'10"E 55.2 FEET; THEN N38°07'46"E 53.6 FEET; THEN N17°17'25"E 818.2 FEET; THEN N05°15'35"E 64.5 FEET; THEN N29°15'52"W 58.7 FEET; THEN N63°47'13"W 56.3 FEET; THEN N72°46'31"W 1161.6 FEET; THEN N63°55'26"W 53.0 FEET; THEN N38°39'39"W 50.7 FEET; THEN N13°16'51"W 51.9 FEET; THEN N09°56'35"E 54.9 FEET; THEN N27°35'13"E 544.8 FEET; THEN N24°42'00"E 171.1 FEET; THEN N10°52'31"E 107.2 FEET; THEN N01°47'03"E 109.3 FEET; THEN N01°03'27"W 517.3 FEET; THEN N03°54'19"E 108.9 FEET; THEN N00°23'49"E 492.6 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION, WHICH LIES N89°50'53"E 2137.3 FEET FROM THE NORTHWEST CORNER OF SAID SECTION.

SAID STRIP OF LAND BEING 7038.6 FEET OR 426.58 RODS IN LENGTH, CONTAINING 3232 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 SW/4	57.95 RODS OR 0.515 ACRES	NE/4 SW/4	80.06 RODS OR 0.607 ACRES
NW/4 SE/4	58.85 RODS OR 0.446 ACRES	SW/4 NE/4	32.64 RODS OR 0.247 ACRES
SE/4 NW/4	106.69 RODS OR 0.808 ACRES	NE/4 NW/4	80.39 RODS OR 0.609 ACRES

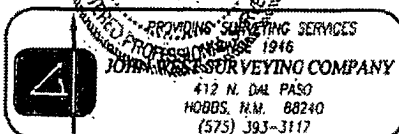
NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 2239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

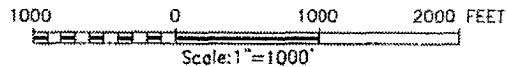
RONALD J. EIDSON

DATE: 5/22/2011



LEGEND

- ⊙ DENOTES FOUND CORNER AS NOTED
- ⊙ DENOTES CALCULATED CORNER

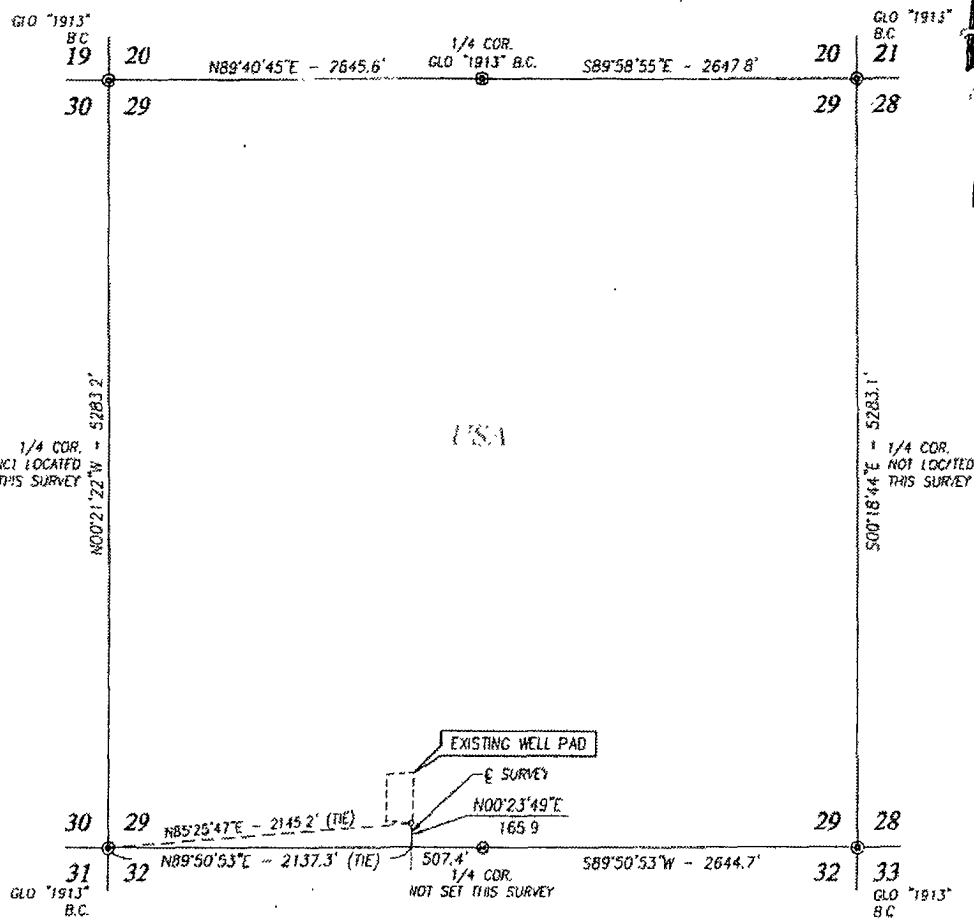


CHEVRON USA INC

CENTERLINE SURVEY OF AN EXISTING ROAD
CROSSING SECTION 32,
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

Survey Date: 7/22/11	Sheet 2 of 2 Sheets
W.O. Number: 11.11.1114	Drawn By: DSS
Date: 8/4/11	Rev: CAD:11111114.RD Rel. W.O.:

SECTION 29, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY NEW MEXICO



DESCRIPTION

SURVEY OF A STRIP OF LAND 50.0 WIDE AND 165.9 FEET OR 0.031 MILES IN LENGTH CROSSING USA LAND IN SECTION 29, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE CENTERLINE.

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RONALD J. EIDSON

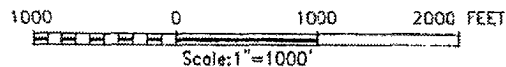
DATE: 8/12/2011



PROVIDING SURVEYING SERVICES
1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

LEGEND

- ⊙ DENOTES FOUND CORNER AS NOTED
- ⊗ DENOTES CALCULATED CORNER



CHEVRON USA INC

CENTERLINE SURVEY OF AN EXISTING ROAD
CROSSING SECTION 29,
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

Survey Date: 7/22/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.1114	Drawn By: DSS
Date: 8/4/11	Rev: CAD:11111111 RD Rel. W.O.



NOTE

- ### LEGEND

-
- 1000 0 1000 2000 FEET
- Scale: 1" = 1000'

RONALD J. LINDSON

DATE: 05/31/2012



CHEVRON USA INC.

SURVEY OF AN ELECTRIC LINE
CROSSING SECTION 29,
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO

Survey Date, 5/15/12

CAD Date: 5/24/12

Drawn By: DSS

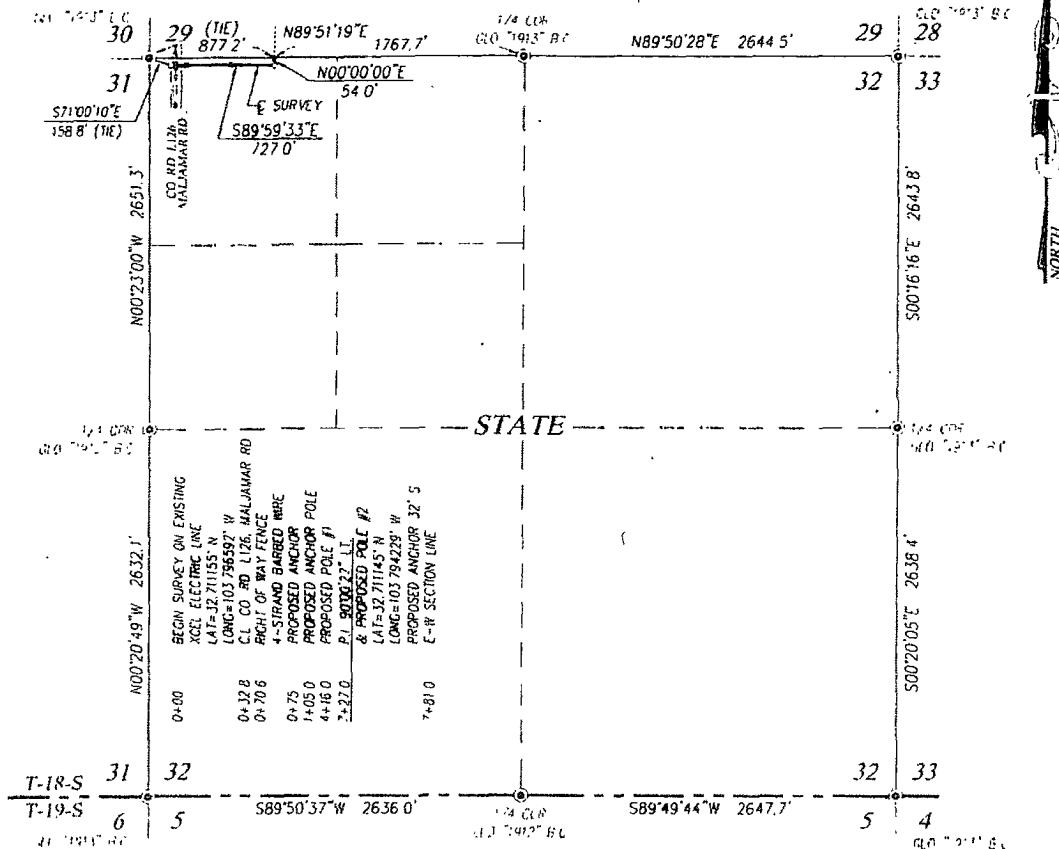
WO No: 12110921

Rèv:

Rel W.O.:

Sheet 1 of 1

SECTION 32, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY
NEW MEXICO



DESCRIPTION

A STRIP OF LAND 300 FEET WIDE CROSSING STATE OF NEW MEXICO LAND IN SECTION 32, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, AND BEING 150 FEET LEFT AND 150 FEET RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY

BEGINNING AT A POINT IN THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION, WHICH LIES 571'00'10"E 158'8" FEET FROM THE NORTHWEST CORNER; THEN S89°59'33"E 727'0" FEET; THEN N00°00'00"E 54'0" FEET TO A POINT ON THE NORTH LINE WHICH LIES N89°51'19"E 877'2" FEET FROM THE NORTHWEST CORNER OF SAID SECTION.

SAID STRIP OF LAND BEING 781'0" FEET OR 47.33 RODS IN LENGTH, CONTAINING 0.538 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS.

NW/4 NW/4 47.33 RODS OR 0.538 ACRES

NOTE

- 1) BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983 DISTANCES ARE SURFACE VALUES
- 2) LATITUDE AND LONGITUDE VALUES SHOWN HEREON ARE RELATIVE TO THE NORTH AMERICAN DATUM 1983 (NAD83)

I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RONALD J. EIDSON

DATE

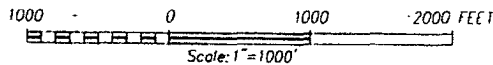
05/15/12



PROFESSIONAL SURVEYING SERVICES
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz

LEGEND

- ⊙ DENOTES FOUND CORNER AS NOTED
- ⊙ DENOTES CALCULATED CORNER



CHEVRON USA INC.

SURVEY OF AN ELECTRIC LINE
CROSSING SECTION 32.
TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO

Survey Date: 5/15/12

CAD Date: 5/24/12

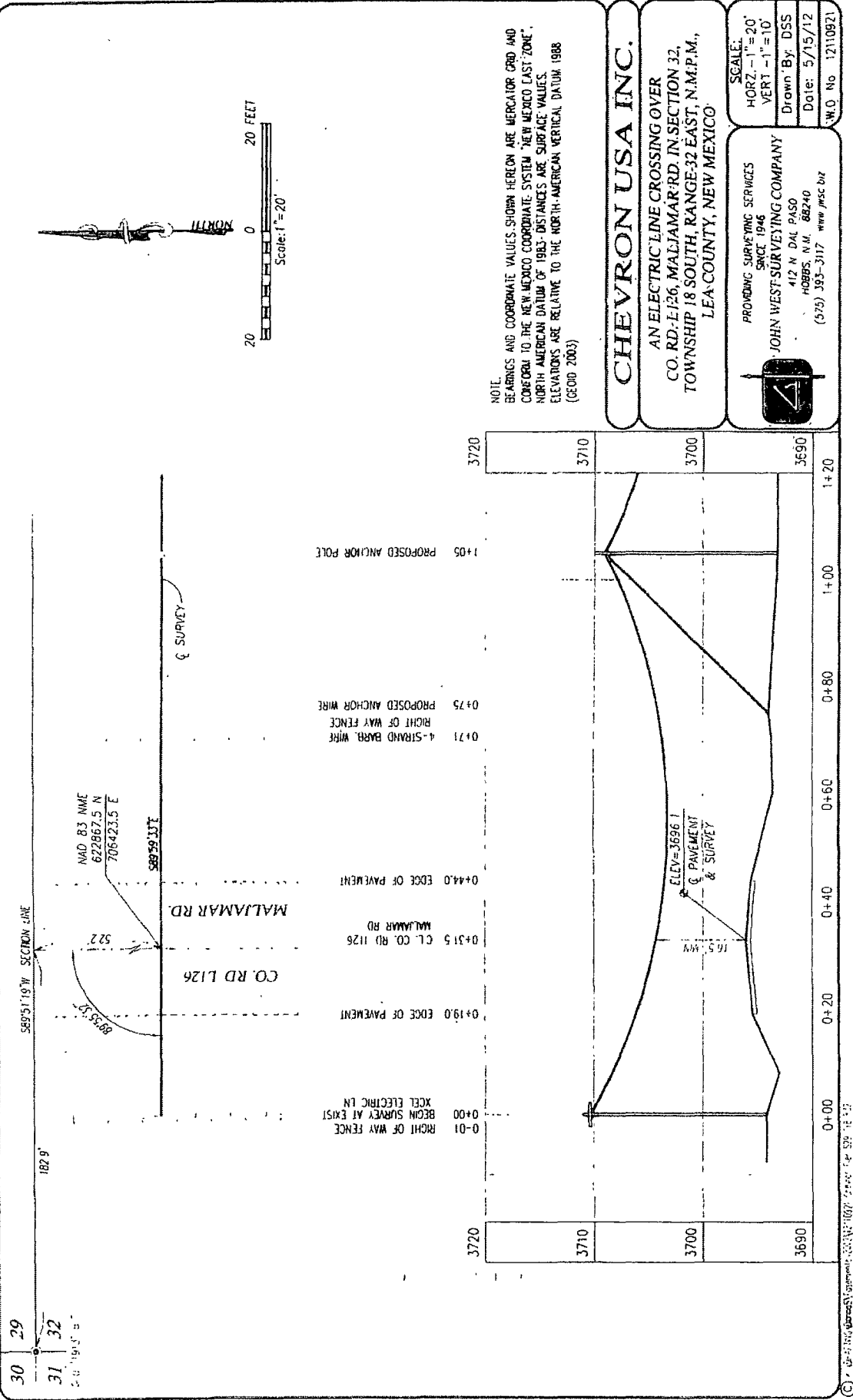
Drawn By: DSS

W.O. No.: 12110921

Rev.

Rel. W.O.:

Sheet 1 of 1



NOTE
 BEARINGS AND COORDINATE VALUES SHOWN HEREON ARE MERCATOR GRID AND
 CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE".
 NORTH AMERICAN DATUM OF 1983. DISTANCES ARE SURFACE VALUES.
 ELEVATIONS ARE RELATIVE TO THE NORTH AMERICAN VERTICAL DATUM 1988
 (GEOID 2003)

CHEVRON USA INC.

AN ELECTRIC LINE CROSSING OVER
 CO. RD L126, MALJAMAR RD. IN SECTION 32,
 TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117 www.jwsc.biz

SCALE:
 HORIZ - 1" = 20'
 VERT - 1" = 10'
 Drawn By: DSS
 Date: 5/15/12
 W.O. No 12110921