

30-025-40710

SURFACE USE PLAN OF OPERATIONS

HOBBS OCD

CHEVRON U.S.A. INC

AUG 02 2012

Cross Bones 1 29 #1H
660' FSL and 660' FWL
Sec 29, 18S, 32E
NM, Lea Co

RECEIVED

LOCATED: 24 Miles S from Maljamar

FEDERAL LEASE NUMBER: NM-96855

LEASE ISSUED: 6/1/1996-Producing & Held by production by North Lusk Fed #1

ACRES IN LEASE: 560

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

SURFACE OWNERSHIP: Bureau of Land Management

GRAZING PERMITTEE: Kenny Smith (575) 390 -12 47

POOL: Bone Spring

POOL RULES: Field rules are for no wells to be located closer than 330' to any ¼ section line to be 330' from the lease line and 330 from the nearest well.

EXHIBITS:

- A -Location map, Well plat, vicinity map, and dedication plat
- B- Access Road and Facilities Map
- C- Drilling Rig Layout Diagram
- D-Frac Pond and Electrical Map (Will be submitted to Trishia C. Bad Bear directly)
- E- Archeological Survey Report

AUG 06 2012

1. EXISTING ROADS

- A. Exhibit "A" shows the Proposed Well Site and Exhibit "B" shows the 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 RESOURCES ROAD

- A. Existing Roads will be utilized until we reach the existing North Lusk 29 Federal #1 well location. A new road will be built 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 follow the route as described in Exhibit "D".

3. LOCATION OF EXISTING WELLS

(ES - PATRICK)
(Include Location Map)

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

A processing facility is located on the location pad of the North Lusk 29 Federal #1 well location. A new standard battery will be constructed north of the Cross Bones 1 29 #1H well location. The battery will include tanks, a production separator, test separator, header, heater treater, gas scrubber, VRU, and pipe. 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.

Facilities Map: <https://collab001-hou.sp.chevron.net/sites/MCAOilArea/projects/Bone%20Spring/Project%20Documents/Land%20-%20Regulatory/Crossbones%201%2029%201H%20-%20Facilities%20Map.pdf>

5. LOCATION AND TYPE OF WATER SUPPLY

Water necessary for drilling will be purchased and truck to the Frac Pond located as described in the attached Exhibit "D".

6. CONSTRUCTION MATERIAL

Caliche needed to build the well pad will be trucked to location from the closest available caliche source.

7. METHOD OF HANDLING WASTE DISPOSAL

- 7.1 Drill cuttings and fluids will be hauled to an approved disposal facility (CRI, Sunset)
- 7.2 Water produced during test will be disposed of at commercial or company facilities

7.3 Oil produced during test will be stored in test tanks until sold

7.4 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 land fill 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 on the NE corner of the drill pad.

8. ANCILLARY FACILITIES

There will be no ancillary facilities.

9. WELL SITE LAYOUT

Please see the attached Exhibit "D".

10. PLANS FOR SURFACE RECLAMATION

- 10.1 After completion of the drilling and/or completion of operations, all equipment and other material not necessary for operations will be removed. The location will be cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible.
- 10.2 Frac pond will be removed within six months of cessation of drilling and/or completion operations that require its use.
- 10.3 After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special reclamation and/or special re-vegetation requirements of the Surface Management Agency will be complied with and will be accomplished as rapidly as possible.

Interim Reclamation Plan: <https://collab001-hou.sp.chevron.net/sites/MCAOilArea/projects/Bone%20Spring/Project%20Documents/Land%20-%20Regulatory/Crossbones%201%2029%201H%20-%20Interim%20Reclamation%20Map.pdf>

11 SURFACE OWNERSHIP

11.1 The Bureau of Land Management owns the surface of this tract.

12 OTHER INFORMATION

- A. Topography: The land surface in the area of the well is mostly flat and sandy with Mesquite, Shinnery and Sage.
- B. Soil: Rocky and Sandy.
- C. Flora and Fauna: The vegetation cover is moderate and includes range grasses, weeds, scrub oak bushes and mesquite bush. Wildlife in the area is that typical of a semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, hawks, dove, quail and other small birds.
- D. Ponds and Streams: There are no rivers, lakes, ponds or streams in the area.

E. Residences and Other Structures: None.

G. Land Use: Grazing, oil and gas production and wildlife habitat.

H. Archeological Report #: 122881

I. Paid into the MOA for the Frac pond and Electrical route.

Archeological report number: 122881

Paid into the MOA for Frac pond and Electrical route.

13 OPERATIONS REPRESENTATIVE

Boyd Schaneman
Drilling Superintendent
15 Smith Rd
Midland, TX 79705
Office: 462-687-7402

CERTIFICATION

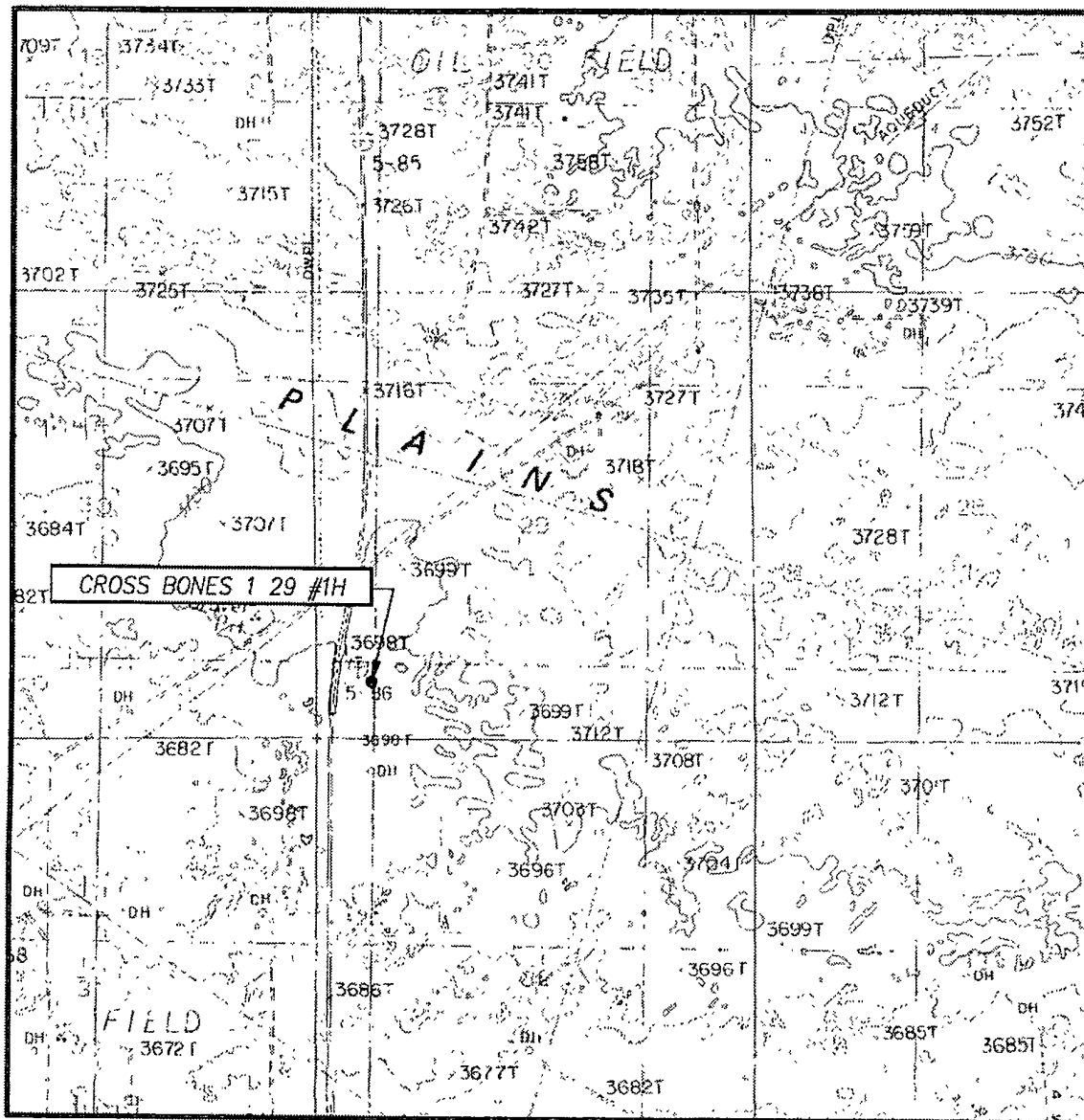
I hereby certify that I, or persons under my direct supervision, have inspected the proposed oil drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are to be best of my knowledge, true and correct; and that the work associated 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 filling of a false statement.

5-30-2012
Date

Boyd Schaneman / JDS
Boyd Schaneman
Drilling Superintendent
Midland, TX

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 660' FSL & 660' FWL

ELEVATION 3696'

OPERATOR CHEVRON USA INC

LEASE CROSS BONES 1 29

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

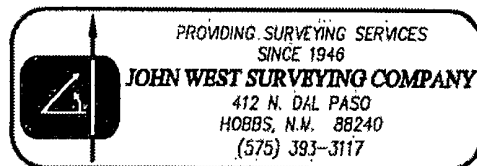
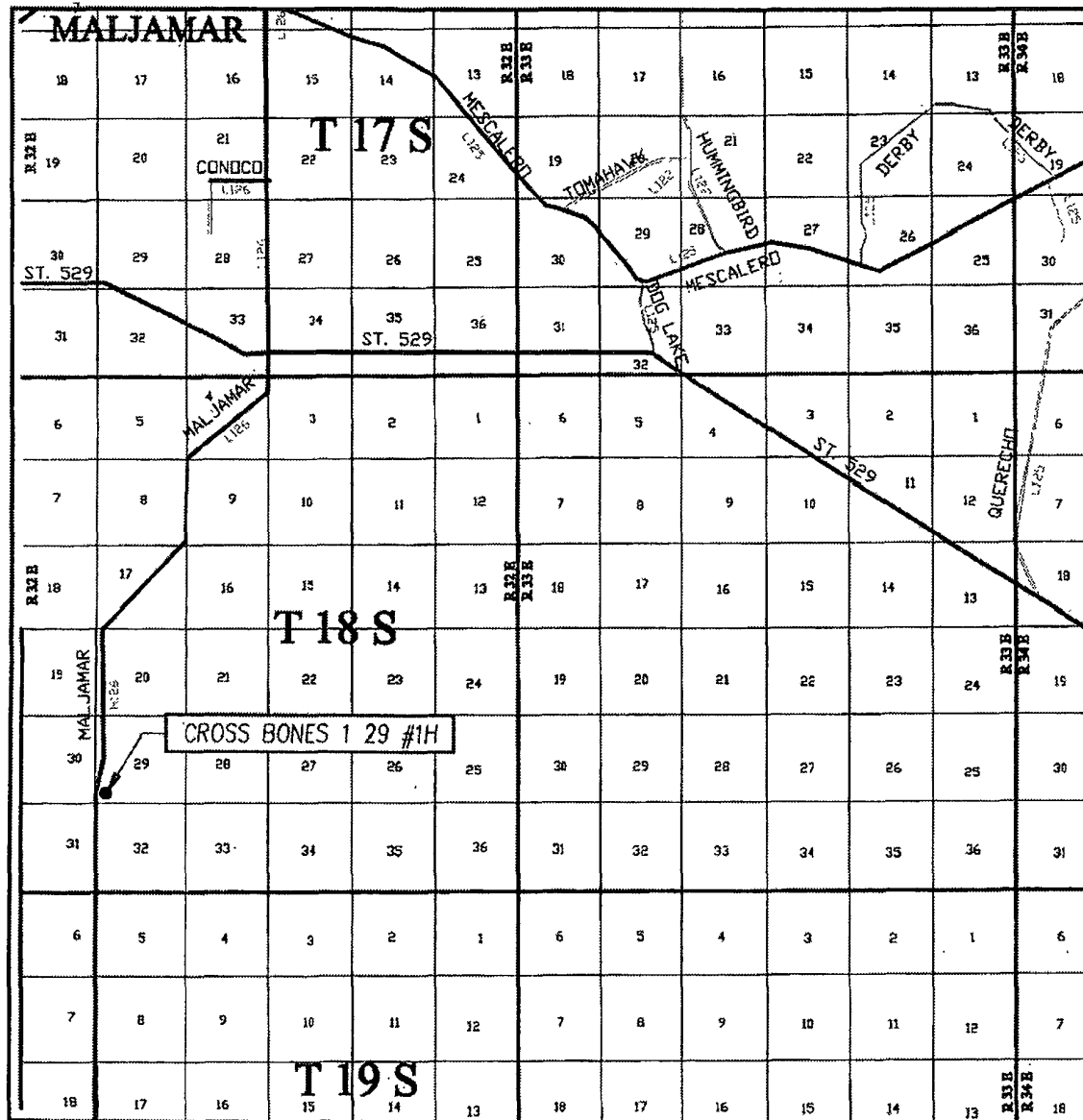


EXHIBIT "A"

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 660' FSL & 660' FWL

ELEVATION 3696'

OPERATOR CHEVRON USA INC

LEASE CROSS BONES 1 29

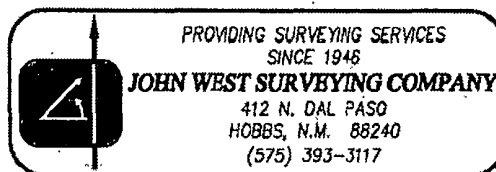
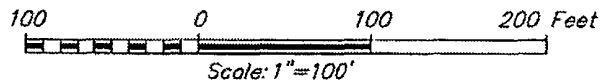
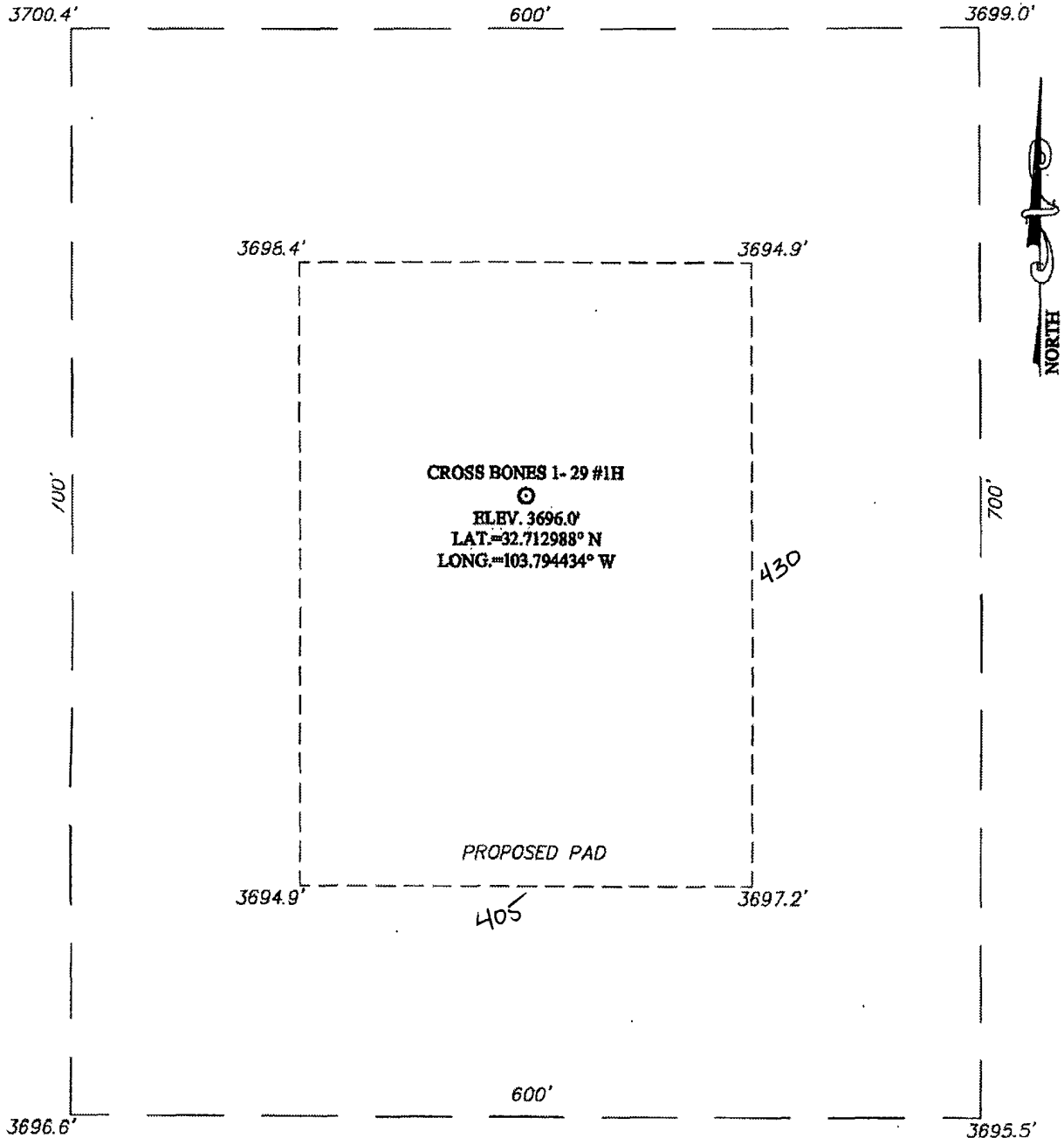


EXHIBIT "A"

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

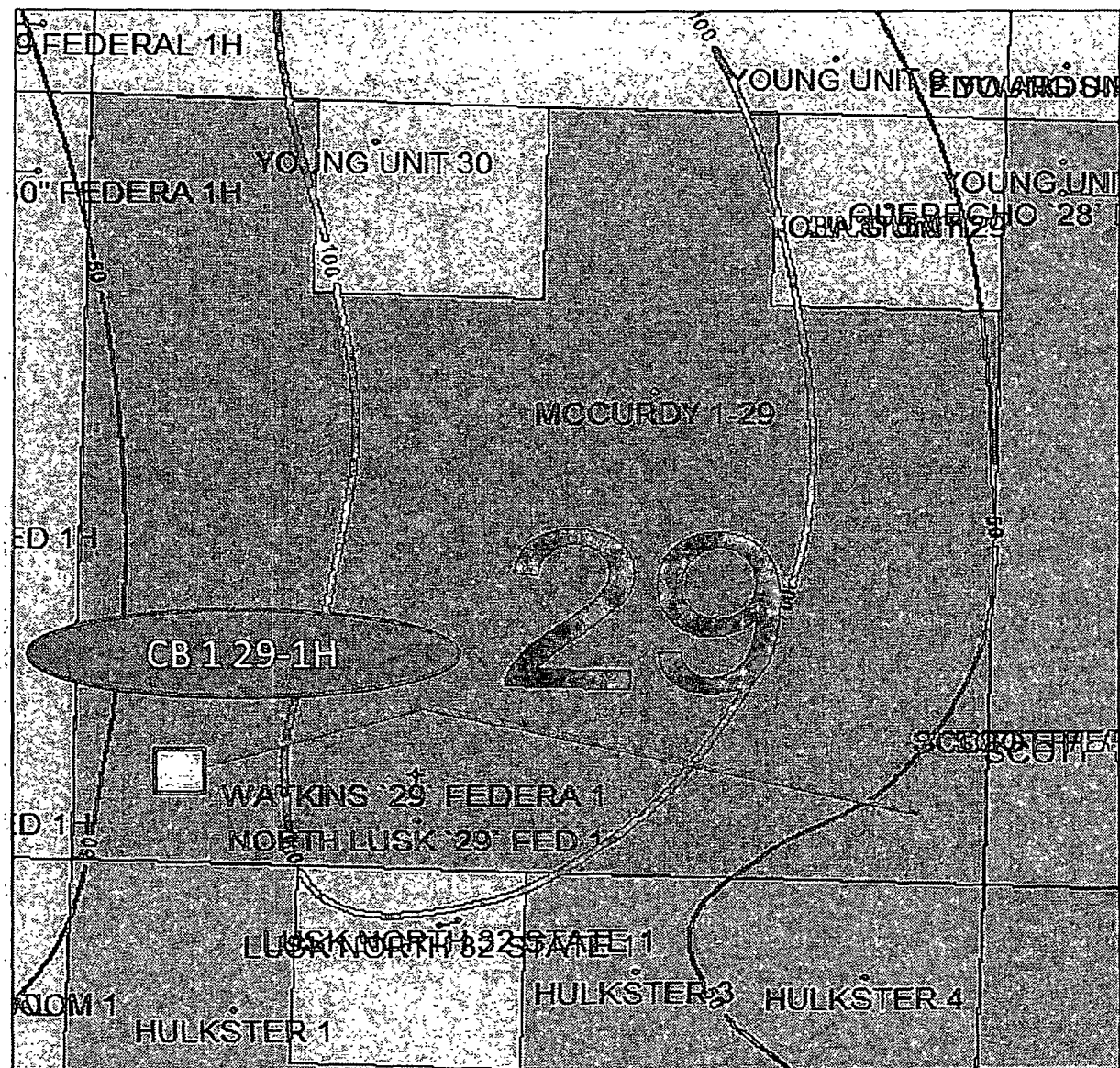
JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

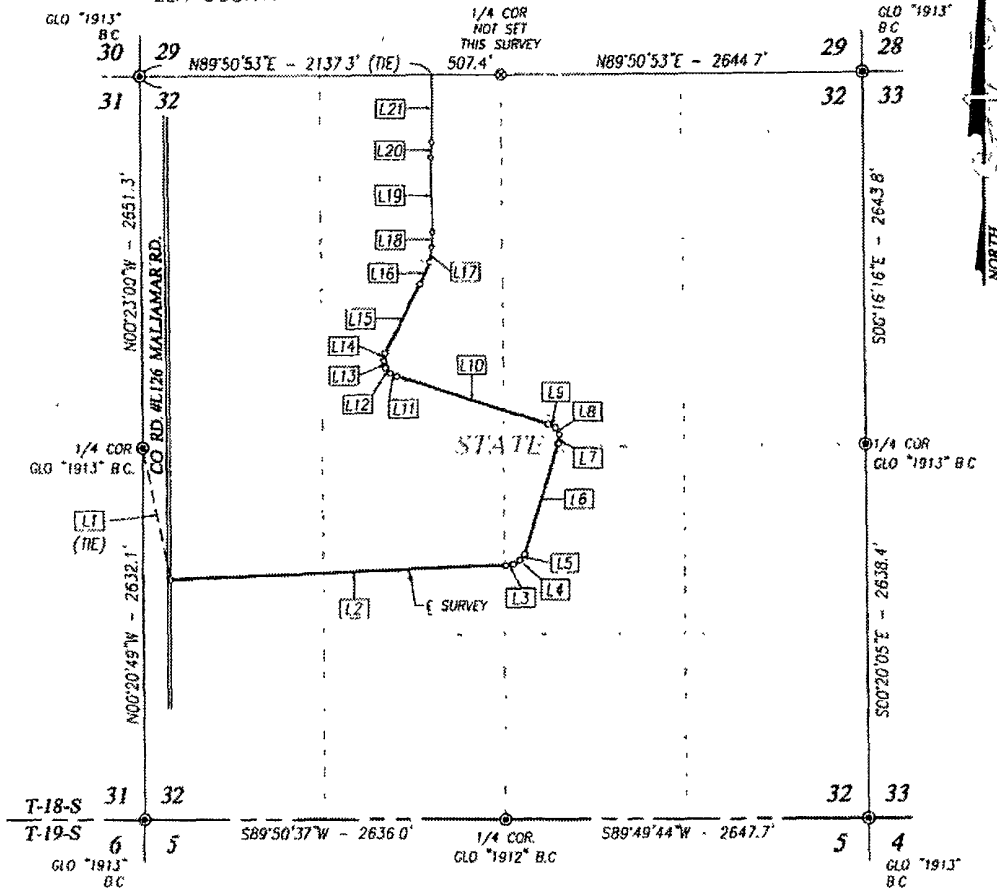
CHEVRON USE INC

CROSS BONES 1- 29 #1H WELL
LOCATED 660 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: 11.11.1116	Dr. By: LA
Date: 6/13/11	Rel. W.O.: 11111116
	Scale: 1"=100'



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



SEE SHEET 2 FOR DESCRIPTION

LINE TABLE

LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE
L1 (TIE)	S 12°26'53" E	950.4'	L12	N 38°39'39" W	50.7'
L2	N 97°36'36" E	2452.7'	L13	N 13°16'51" W	51.9'
L3	N 91°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 17°12'25" E	918.2'	L17	N 10°52'31" E	107.2'
L7	N 25°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°48'31" W	1161.6'	L21	N 00°23'49" E	492.6'
L11	N 63°55'26" W	53.0'			

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 I AM TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RONALD J. EIDSON

DATE



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

LEGEND

- DENOTES FOUND CORNER AS NOTED
- ⊙ DENOTES CALCULATED CORNER

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

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	1	of	2	Sheets
W.O. Number:	11.11.1114	Drawn By:	DSS			
Date:	8/4/11	Rev:		CAD-1111.1114.RD	Ref. W.O:	

[illegible]

SURVEY OF A STRIP OF LAND 50.0 FEET WIDE AND 1730.0 FEET OR 0.328 MILES IN LENGTH CROSSING
USDA 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 PLATTED CENTERLINE SURVEY

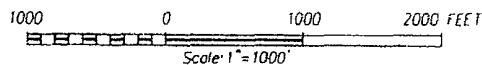
1) BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983 DISTANCES ARE SURFACE VALUES

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 SURVEYS IN NEW MEXICO, AND THAT THE SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DATE -- 02/31/2012

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

(6) DENOTES FOUND CORNER AS NOTED
(7) DENOTES CALCULATED CORNER



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

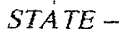
W O No. 12110921

Rev

Rel W.O.

Sheet 1 of 1

NEW MEXICO



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 STATELY

BEGINNING AT A POINT IN THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION, WHICH LIES S71°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

AND STRIP OF LAND BEING 810 FEET OR 47.33 RODS IN LENGTH, CONTAINING 0.538 ACRES MORE OR LESS AND BEING ALLOCATED BY LOTS AS FOLLOWS

NW/4 NW/4 47.33 RDS 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)

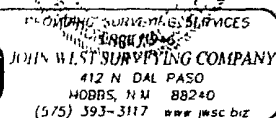
LEGEND

- (b) DENOTES FOUND CORNER AS NOTED
(c) DENOTES CALCULATED CORNER

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. HOSKINS

DAI:



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

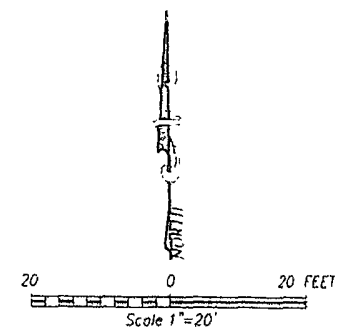
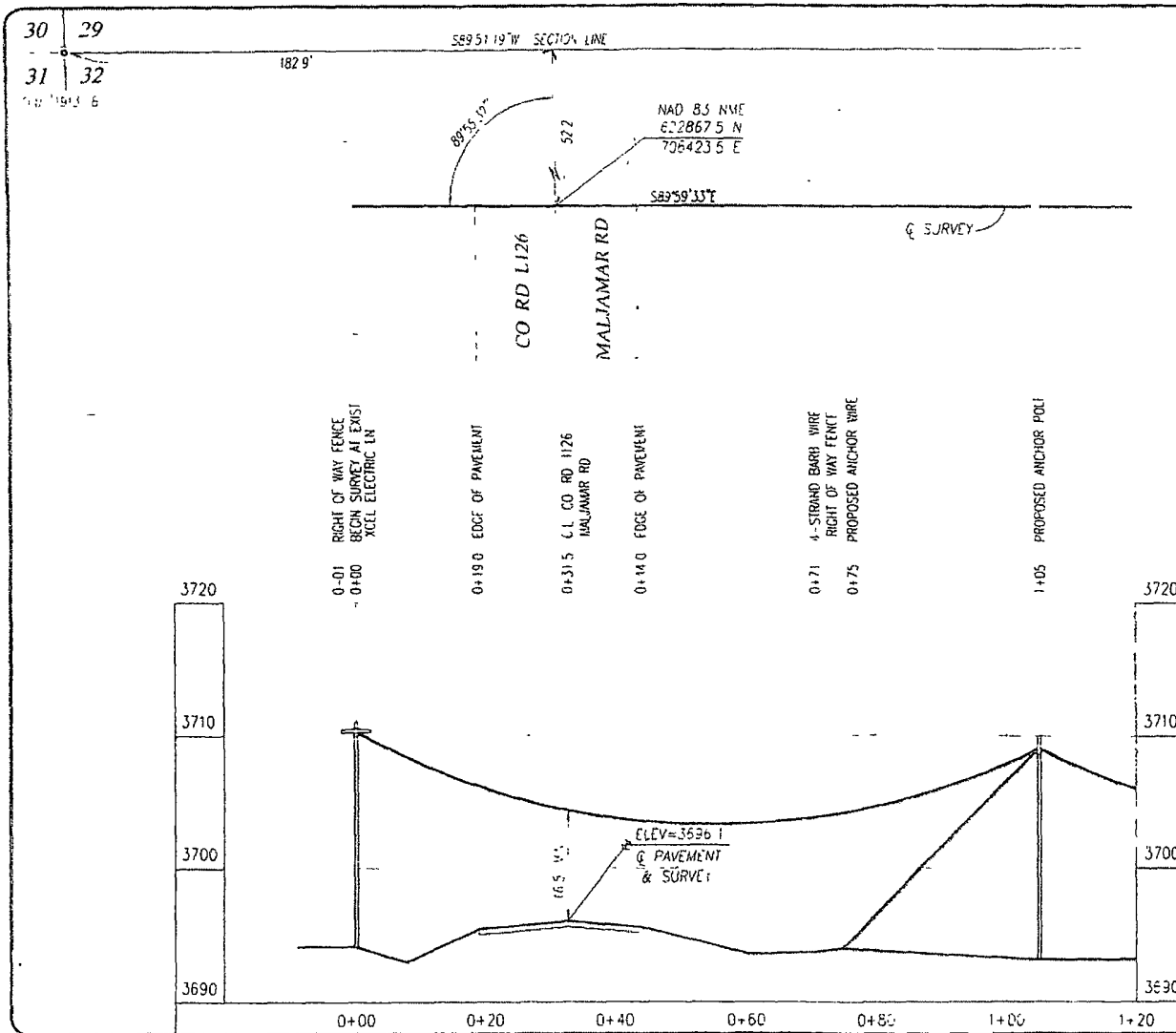
Drawn By DSS

W/O No 12110921

Rev

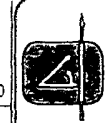
Rel W O

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
(G2010 7003)

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

**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 N81°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°15'39"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°30'53"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	67.95 RODS OR 0.515 ACRES	NE/4 SW/4	80.05 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	80.38 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. 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



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN HANSEN SURVEYING COMPANY
412 N. DAL PASO
HOBBS, NM 88240
(505) 393-3117

LEGEND

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

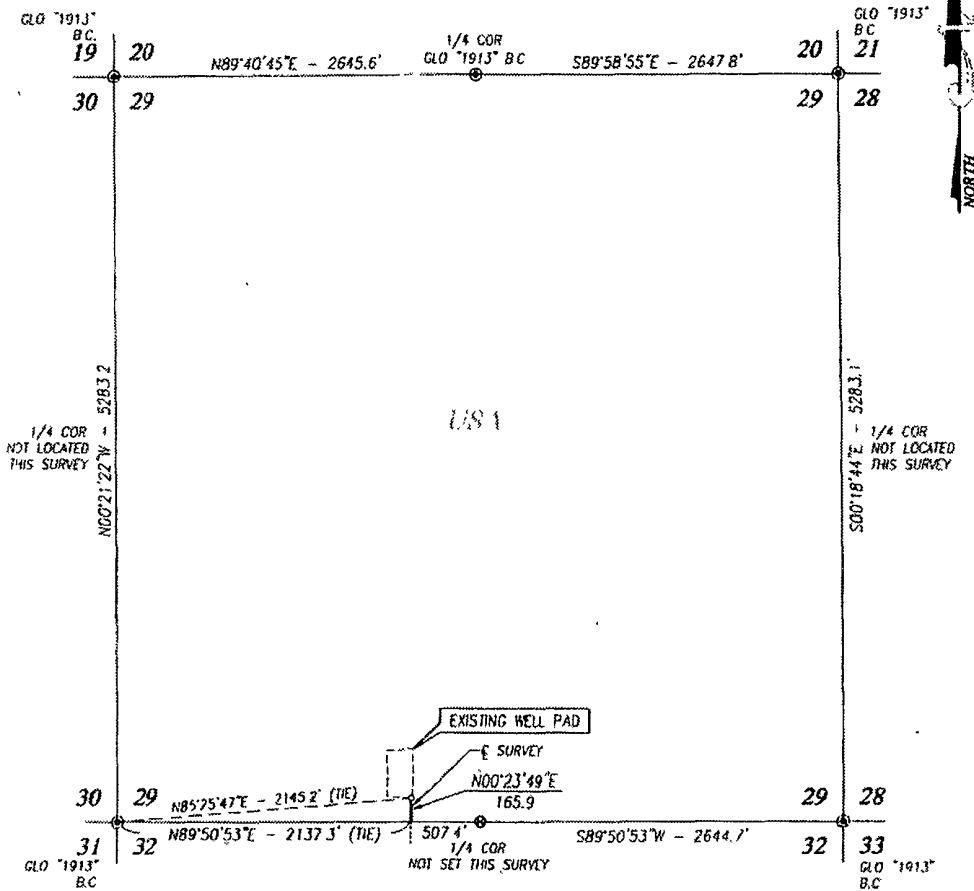


CHEVRON USA INC

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: 1111114	Drawn By: DSS
Date: 8/4/11	Rev: CAD: 11/11/14 Rev: W.O

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



DESCRIPTION

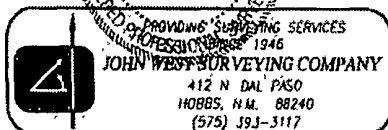
SURVEY OF A STRIP OF LAND 50.0 WIDE AND 165.9 FEET OR 0.031 MILES IN LENGTH CROSSING USA LAND IN SECTION 29, TOWNSHIP 18 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE CENTERLINE

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

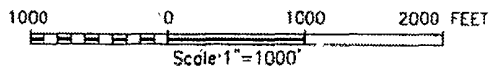
I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR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

RONALD J. EIDSON
DATE: 7/22/11



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: 11.11.11 RD Rel. W.O.: