

**SURFACE USE PLAN OF OPERATIONS**

Operator Name/Number:	OCCIDENTAL PERMIAN LIMITED PARTNERSHIP - 157984
Lease Name/Number:	LUSK 28 WEST FEDERAL COM #2H
Pool Name/Number:	LUSK; BONE SPRING, SOUTH - 41460
Surface Location:	N, SEC 28, T19S, R32E; 865' FSL & 1645' FWL; LEA COUNTY
Bottom Hole Location:	C, SEC 28, T19S, R32E; 330' FNL & 1645' FWL; LEA COUNTY

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**1. Existing Roads**

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- a. A copy of a USGS "\_GREENWOOD LAKE\_, NM" quadrangle map is attached showing the proposed location. The well location is spotted on this map, which shows the existing road system.
- b. The well was staked by \_Terry J Asel\_ Certificate No. \_15079\_ on \_06-14-2012\_, certified 09-07-2012\_.
- c. Directions to Location:  
BEGINNING AT THE INTERSECTION OF U.S. HWY. #62/180 AND STATE HWY. #176, GO NORTHEAST ON STATE HWY. #176 FOR 3.0 MILES, GO EAST FOR 0.8 MILES, TURN LEFT ON COUNTY ROAD #126A AND GO NORTH FOR 3.8 MILES, TURN RIGHT ON CALICHE ROAD AND GO EAST FOR 1.1 MILES, TURN LEFT AND GO NORTHEAST FOR 0.2 MILES, GO EAST FOR 0.2 MILES TO LOCATION.

**2. New or Reconstructed Access Roads:**

- a. A new access road will be built. The access road will run approximately \_\_\_742'\_\_\_ from an existing road to the location.
- b. The maximum width of the road will be 15'. It will be crowned and made up of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- c. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.
- d. No cattle guards, grates or fence cuts will be required. No turnouts are planned.
- e. Blade, water & repair existing caliche road as required/needed.

**3. Location of Existing Wells:**

Existing wells within a one mile radius of the proposed well are shown on attached plat.

**4. Location of Existing and/or Proposed Production Facilities.**

- a. In the event the well is found productive, the production would be sent to the central tank battery located on the Lusk 28 West Fed Com CTB. The proposed lines will be approximately 1500' of QTY 14" SDR 7 Polyethylene laid on surface from well the CTB and will be operating <125 psig. See proposed Production Facilities Layout diagram.
- b. The proposed route for the electric line has been surveyed and is attached.
- c. All flowlines will adhere to API Standards.

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**5. Location and types of Water Supply.**

This well will be drilled using a combination of water mud systems. It will be obtained from commercial water stations in the area and will be hauled to location by transport truck using existing and proposed roads.

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**6. Construction Materials:**

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All caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM approved pit or from prevailing deposits found under the location. Will use BLM recommended use of extra caliche from other locations close by for roads, if available.

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**7. Methods of Handling Waste Material:**

- a. A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility, see C-144 CLEZ.
  - 1. Solids - CONTROL RECOVERY INC - R9166
  - 2. Liquids - SUNDANCE LANDFILL - NM-01-003
- b. All trash, junk, and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier, including broken sacks, will pick up slats remaining after completion of well.
- d. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Disposal of fluids to be transported will be by the following companies:
  - 1. Solids - CONTROL RECOVERY INC - R9166
  - 2. Liquids - SUNDANCE LANDFILL - NM-01-003

**8. Ancillary Facilities:** None needed

**9. Well Site Layout**

See attached for the proposed well site layout with dimensions of the pad layout and equipment location.

V-Door SOUTHEAST CL Tanks 40' X 75' Pad 280' X 410'

**10. Plans for Surface Reclamation:**

- a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The original top soil will again be returned to the pad and contoured, as close as possible, to the original topography.
- b. If the well is deemed commercially productive, caliche from areas of the pad site not required for operations will be reclaimed. The original top soil will be returned to the area of the drill pad not necessary to operate

the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation.

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**11. Surface Ownership**

The surface is owned by the U.S. Government and is administered by the BLM. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas. The surface is leased to: \_\_\_\_\_ G & L Cattle, LLC  
 They will be notified of our intention to drill prior to any activity.

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**12. Other Information**

- a. The vegetation cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial. native range grass. The topsoil is sandy in nature. Wildlife in the area is also sparse consisting of deer, coyotes, rabbits, rodents, reptiles, dove and quail.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are no dwellings within 2 miles of the proposed well site.

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d. Cultural Resources Examination - this well is located in the Permian Basin MOA.

Pad + 1/4 mile road	<u>\$1,463.00</u>	0	\$0.17/ft over 1/4 mile	<u>\$0.00</u>	<u>\$1,463.00</u>
Pipeline - up to 1mile	<u>\$1,350.00</u>	0	\$274 per 1/4 mile	<u>\$0.00</u>	<u>\$1,350.00</u>
Electric Line - up to 1mile	<u>\$676.00</u>	0	\$0.19/ft over 1 mile	<u>\$0.00</u>	<u>\$676.00</u>
Total	<u><u>\$3,489.00</u></u>			<u><u>\$0.00</u></u>	<u><u>\$3,489.00</u></u>

**13. Bond Coverage:**

Bond Coverage is Nationwide Bond No. \_\_\_\_\_ NM2797

**Operators Representatives:**

The OXY Permian representatives responsible for ensuring compliance of the surface use plan are listed below.

Kim Moore  
 Production Coordinator  
 1017 W. Stanolind Rd.  
 Hobbs, NM 88240  
 Office Phone: 575-397-8236  
 Cellular: 575-706-1219

Charles Wagner  
 Manager Field Operations  
 1502 West Commerce Dr.  
 Carlsbad, NM 88220  
 Office Phone: 575-628-4151  
 Cellular: 575-725-8306

Allan Wells  
 Drilling Superintendent  
 P.O. Box 4294  
 Houston, TX 77210  
 Office Phone: 713-350-4810  
 Cellular: 713-569-8697

Calvin (Dusty) Weaver  
 Operation Specialist  
 P.O. Box 50250  
 Midland, TX 79710  
 Office Phone: 432-685-5723  
 Cellular: 806-893-3067

Juan Pinzon  
 Drilling Engineering Supervisor  
 P.O. Box 4294  
 Houston, TX 77210  
 Office Phone: 713-366-5058  
 Cellular: 713-503-3962

Carlos Mercado  
 Drilling Engineer  
 P.O. Box 4294  
 Houston, TX 77210  
 Office Phone: 713-366-5418  
 Cellular: 281-455-3481

**LUSK 28 WEST FEDERAL COM #2H**

Surface Owner: BLM  
Tenant: G & L Cattle, LLC  
23574 HWY 287  
Springfield, CO 81073

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OPERATOR CERTIFICATION

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I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions that presently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements. Executed this 11<sup>th</sup> day of December 2012.

Name: \_\_\_\_\_ David Schellstede *David Schellstede*  
Position: \_\_\_ Reservoir Management Team Leader \_\_\_\_\_  
Address: \_\_\_ 5 Greenway Plaza, Suite 110, Houston, TX 77046 \_\_\_\_\_  
Telephone: \_\_\_\_\_ 713-366-5013 \_\_\_\_\_  
E-mail: (optional): \_\_\_\_\_ david\_schellstede@oxy.com \_\_\_\_\_  
Company: Occidental Permian Limited Partnership  
Field Representative (if not above signatory): \_\_\_\_\_ Dusty Weaver \_\_\_\_\_  
Address (If different from above): \_\_\_ P.O. Box 50250 Midland, TX 79710 \_\_\_\_\_  
Telephone (if different from above): \_\_\_\_\_ 432-685-5723 \_\_\_\_\_  
E-mail (if different from above): \_\_\_\_\_ calvin\_weaver@oxy.com \_\_\_\_\_

United States Department of the Interior  
Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220

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RE: Lusk 28 West Fed Com #2H  
Section 28, 19S-32E  
Lea County, New Mexico

**STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS**

**OPERATOR NAME:** Occidental Permian Limited Partnership  
**ADDRESS:** P.O. Box 4294  
Houston, Texas 77210-4294

**The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:**

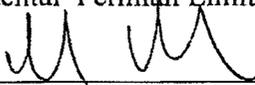
**LEASE NO.:** NMLC-0065710 (560 Acres)  
NMNM-0175774 (440 Acres)

**LEGAL DESCRIPTION:** SL: 865' FSL & 1645' FWL SESW (N)  
PBHL: 330' FNL & 1645' FWL NENW (C)  
Section 28 T19S-R32E  
Lea County, New Mexico

**FORMATIONS:** Bone Springs

**BOND COVERAGE:** Statewide

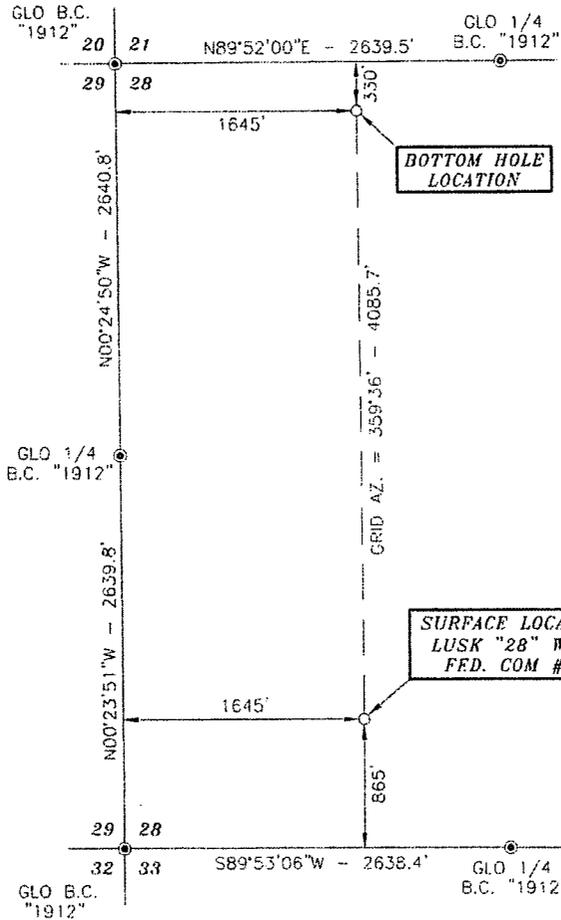
**BLM BOND FILE NO.:** NM2797

**AUTHORIZED SIGNATURE:** Occidental Permian Limited Partnership  
  
Michael Meir

**TITLE:** Land Negotiator

**DATE:** September 18, 2012

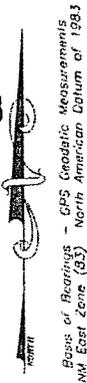
SECTION 28, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY  
NEW MEXICO



HOBBS OCD

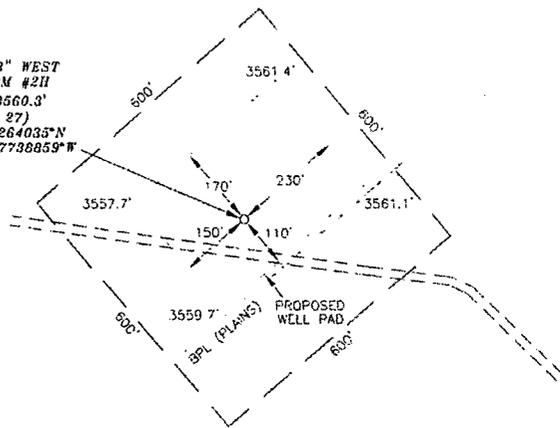
JUL 05 2013

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DRIVING DIRECTIONS:  
BEGINNING AT THE INTERSECTION OF  
U.S. HWY. #62/180 AND STATE  
HWY. #176, GO NORTHEAST ON  
STATE HWY. #176 FOR 3.0 MILES,  
GO EAST FOR 0.8 MILES, TURN  
LEFT ON COUNTY ROAD #126A AND  
GO NORTH FOR 3.8 MILES, TURN  
RIGHT ON CALICHE ROAD AND GO  
EAST FOR 1.1 MILES, TURN LEFT  
AND GO NORTHEAST FOR 0.2 MILES,  
GO EAST FOR 0.2 MILES TO  
LOCATION.

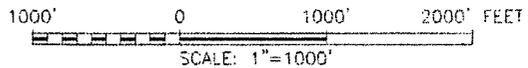
LUSK "28" WEST  
FED. COM #2H  
ELEV. 3560.3'  
(NAD 27)  
LAT. = 32.8264035°N  
LONG. = 103.7798859°W



SCALE - 1" = 300'

LEGEND

⊙ -- DENOTES FOUND MONUMENT AS NOTED



SURVEYORS CERTIFICATE

I, TERRY J. ASEL, NEW MEXICO PROFESSIONAL SURVEYOR NO. 15079, DO HEREBY CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY. THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND MEETS THE "MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO" AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND SURVEYORS.

*Terry J. Asel* 9/7/2012  
Terry J. Asel, N.M. R.P.L.S. No. 15079

Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR  
HOBBS, NEW MEXICO - 575-393-9146



Occidental Permian LP

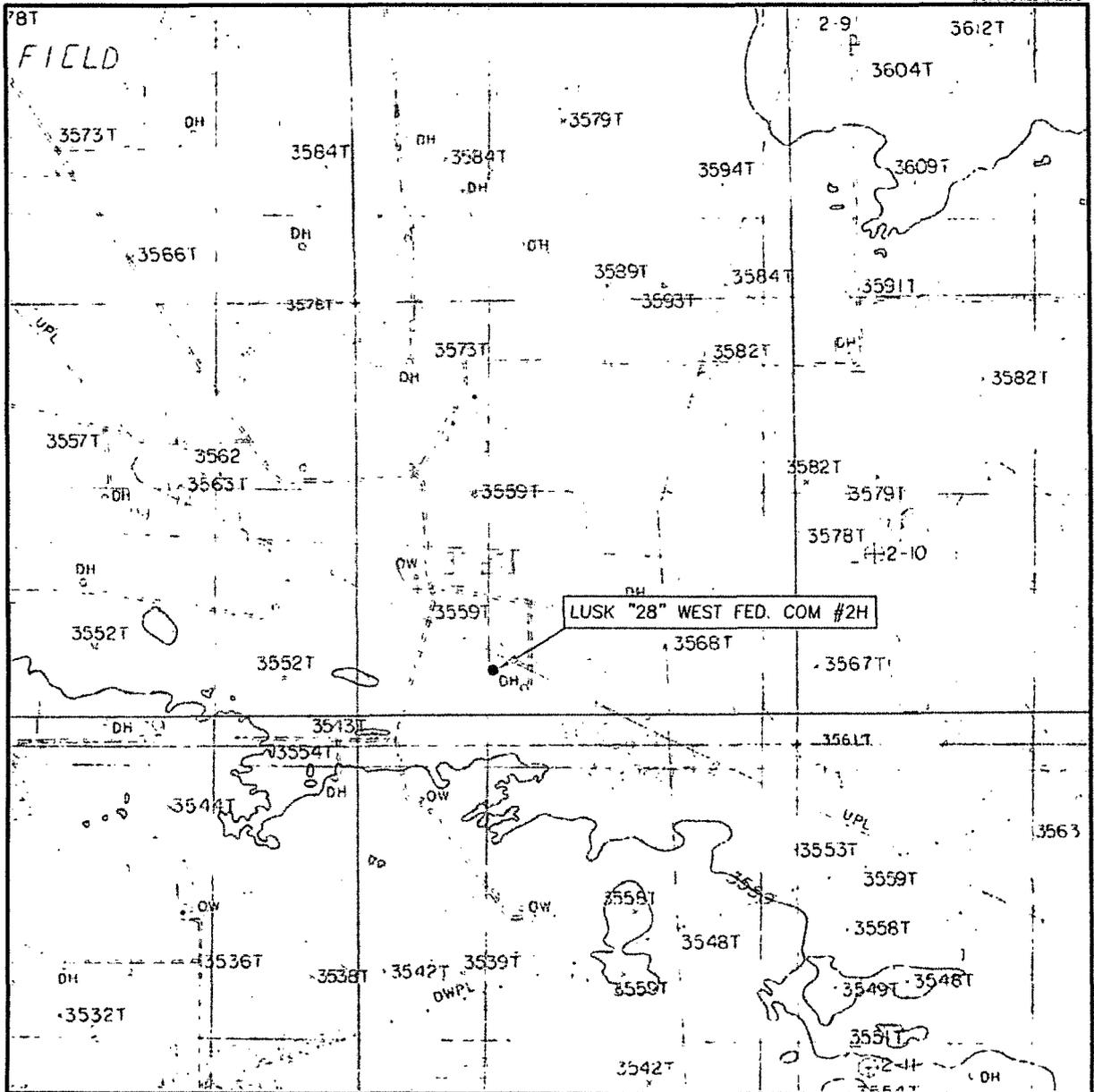
LUSK "28" WEST FED. COM #2H LOCATED  
AT 865' FSL & 1645' FWL IN SECTION 28,  
TOWNSHIP 19 SOUTH, RANGE 32 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO

Survey Date: 06/14/12	Sheet 1 of 1 Sheets
W.O. Number: 120614WL-b	Drawn By: KA Rev:
Date: 08/31/12	120614WL-b Scale: 1" = 1000'

# LOCATION VERIFICATION MAP

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SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

SEC. 28 TWP. 19-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 865' FSL & 1645' FWL

ELEVATION 3560.3'

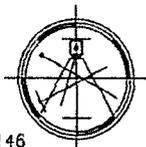
OPERATOR Occidental Permian LP

LEASE LUSK "28" WEST FED. COM #2H

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

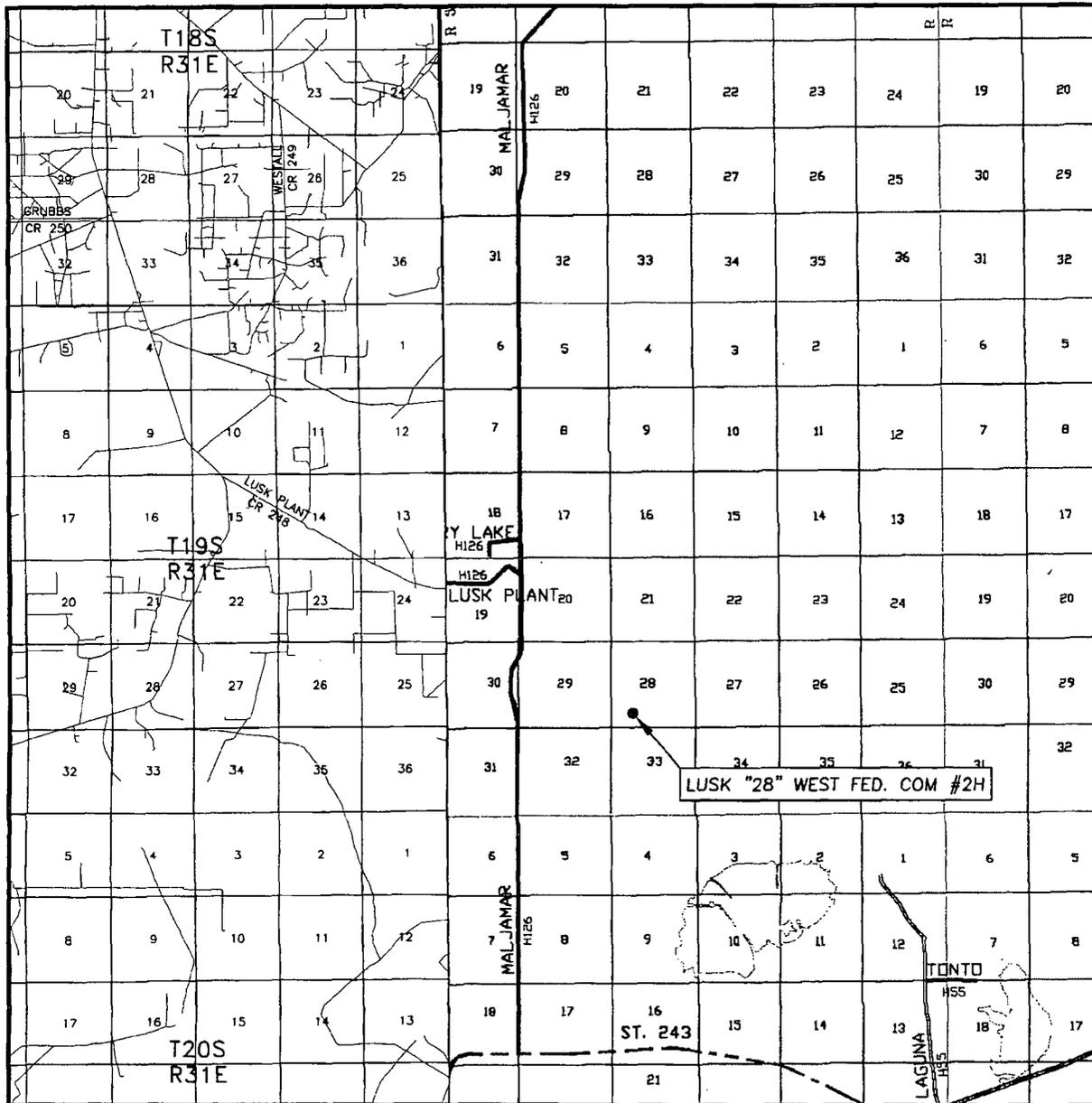
Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR  
HOBBS, NEW MEXICO - 575-393-9146



# VICINITY MAP

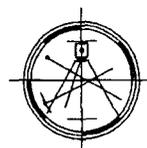
RECEIVED



SEC. 28 TWP. 19-S RGE. 32-E  
 SURVEY N.M.P.M.  
 COUNTY LEA  
 DESCRIPTION 865' FSL & 1645' FWL  
 ELEVATION 3560.3'  
 OPERATOR Occidental Permian LP  
 LEASE LUSK "28" WEST FED. COM #2H

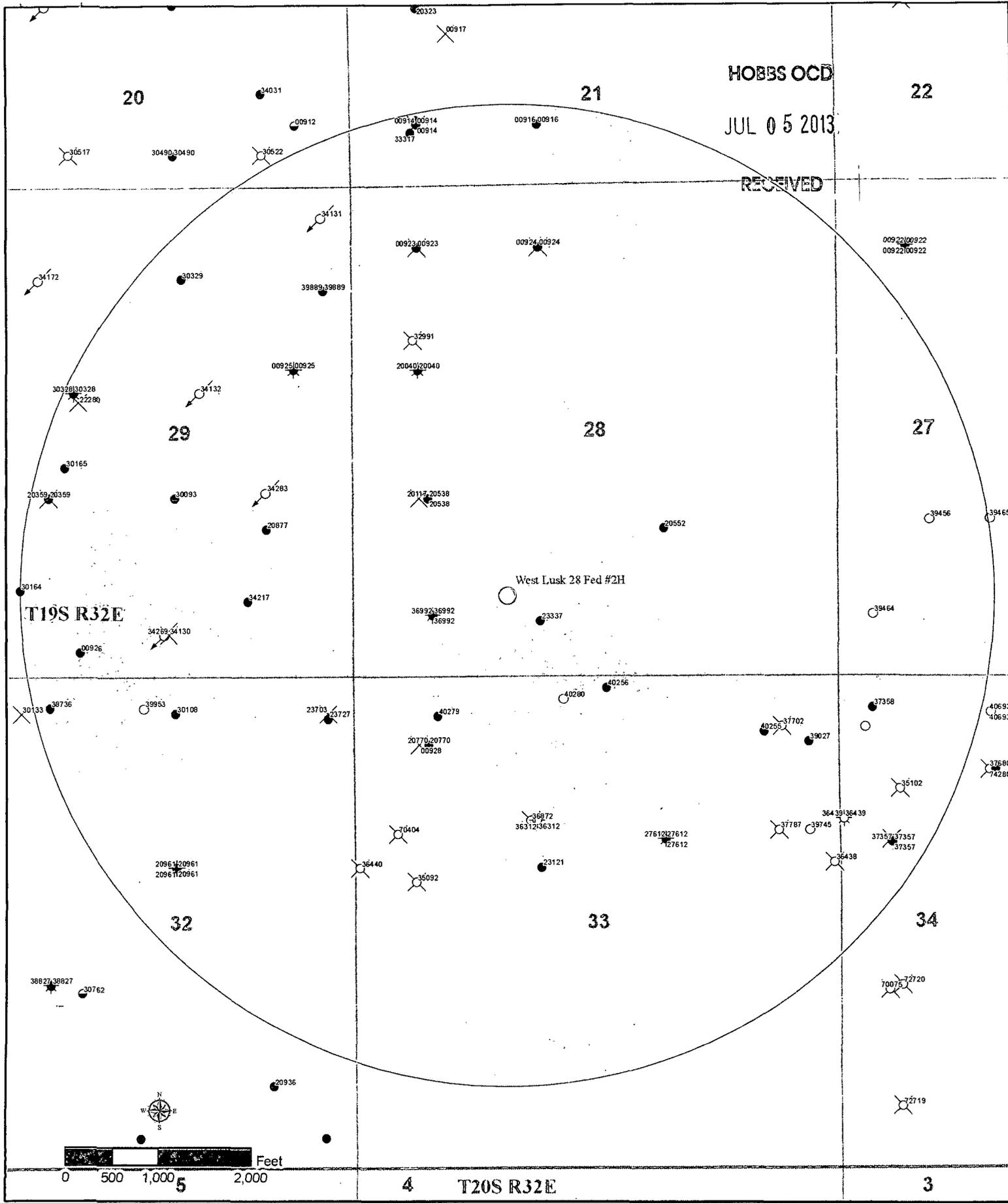
SCALE: 1" = 2 MILES

Asel Surveying



P.O. BOX 393 - 310 W. TAYLOR  
 HOBBS, NEW MEXICO - 575-393-9146

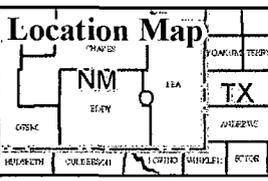
DIRECTIONS BEGINNING AT THE INTERSECTION OF U.S. HWY. #62/180 AND STATE HWY. #176, GO  
NORTHEAST ON STATE HWY. #176 FOR 3.0 MILES, GO EAST FOR 0.8 MILES, TURN LEFT ON COUNTY  
ROAD #126A AND GO NORTH FOR 3.8 MILES, TURN RIGHT ON CALICHE ROAD AND GO EAST FOR  
1.1 MILES, TURN LEFT AND GO NORTHEAST FOR 0.2 MILES, GO EAST FOR 0.2 MILES TO LOCATION.

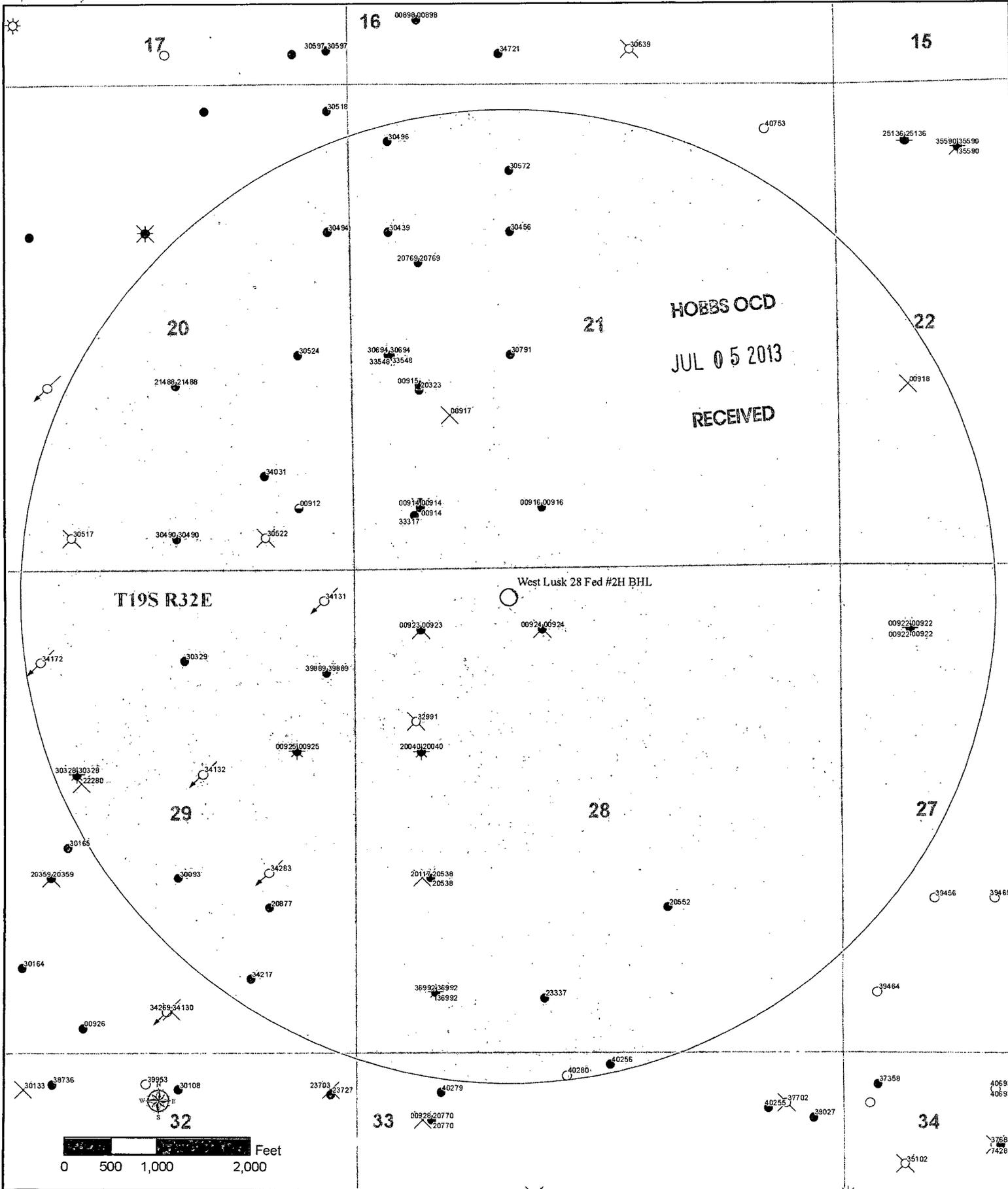


**oxy Permian Primary**  
 New Mexico  
 Eddy & Lea Counties  
 Oxy 2012 Wells with  
 1 Mile Radius  
 DL - 11/9/2012

- |            |             |         |                      |                 |
|------------|-------------|---------|----------------------|-----------------|
| ○ OXY WELL | ☀ GAS SHOWS | ⊗ SUS   | ⊗ ABANDONED LOC      | ○ OTHER         |
| ⊗ IHS Well | ● OIL SHOWS | ⊗ AGW   | ⊗ ABANDONED-NO SHOWS | ○ 1 MILE RADIUS |
| ☀ GAS      | ⊗ O&G SHOWS | ⊗ AOW   | ⊗ INJ-NO SHOWS       |                 |
| ● OIL      | ○ LOC       | ⊗ AO&GW |                      |                 |
| ⊗ O&G      |             |         |                      |                 |

**Coordinate System Information**  
 Geographic Coordinate System North American 1927  
 Datum: North American 1927  
 NAD 1927 State Plane New Mexico East FIPS 3001  
 Projection: Transverse Mercator  
 False Easting: 500000.000000  
 False Northing: 0.000000  
 Central Meridian: -104.333333  
 Scale Factor: 0.999909  
 Latitude Of Origin: 31.000000  
 Linear Unit: Foot US

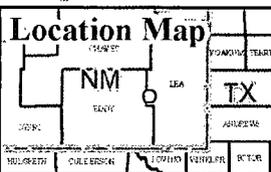




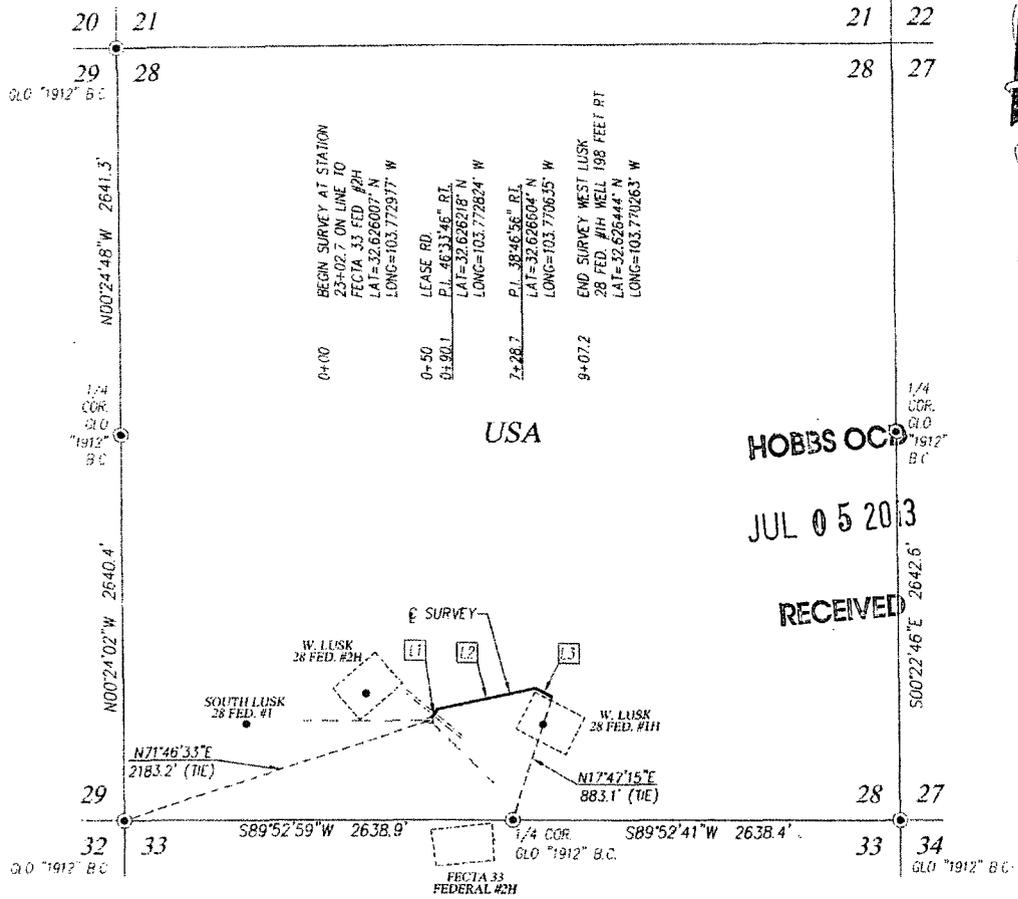
**Permian Primary**  
 New Mexico  
 Eddy & Lea Counties  
 Oxy 2012 Wells with  
 1 Mile Radius  
 (L - 11/8/2012)

○ OXY WELL Bottom Hole	☀ GAS SHOWS	⊗ SUS	⊗ ABANDONED LOC	○ OTHER
☀ IHS Well	● OIL SHOWS	⊗ AGW	⊗ ABANDONED-NO SHOWS	○ 1 MILE RADIUS
☀ GAS	☀ O&G SHOWS	● AOW	⊗ INJ-NO SHOWS	
● OIL	○ LOC	☀ AO&GW		
☀ O&G				

**Coordinate System Information**  
 Geographic Coordinate System North American 1927  
 Datum: North American 1927  
 NAD 1927 State Plane New Mexico East FIPS 3001  
 Projection: Transverse Mercator  
 False Easting: 500,000.000000  
 False Northing: 0.000000  
 Central Meridian: -104.333333  
 Scale Factor: 0.999909  
 Latitude Of Origin: 31.000000  
 Linear Unit: Foot US



SECTION 28, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY  
NEW MEXICO



**DESCRIPTION**

SURVEY OF A STRIP OF LAND 50.0 FEET WIDE AND 907.2 FEET OR 0.172 MILES IN LENGTH CROSSING USA LAND IN SECTION 28, TOWNSHIP 19 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.

**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.

LINE	BEARING	DISTANCE
L1	N31°20'36\"E	90.1'
L2	N77°54'22\"E	688.6'
L3	S63°18'42\"E	128.5'

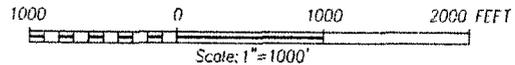
**LEGEND**

⊙ DENOTES FOUND CORNER AS NOTED

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: 09/11/2012



**Occidental Permian LP**

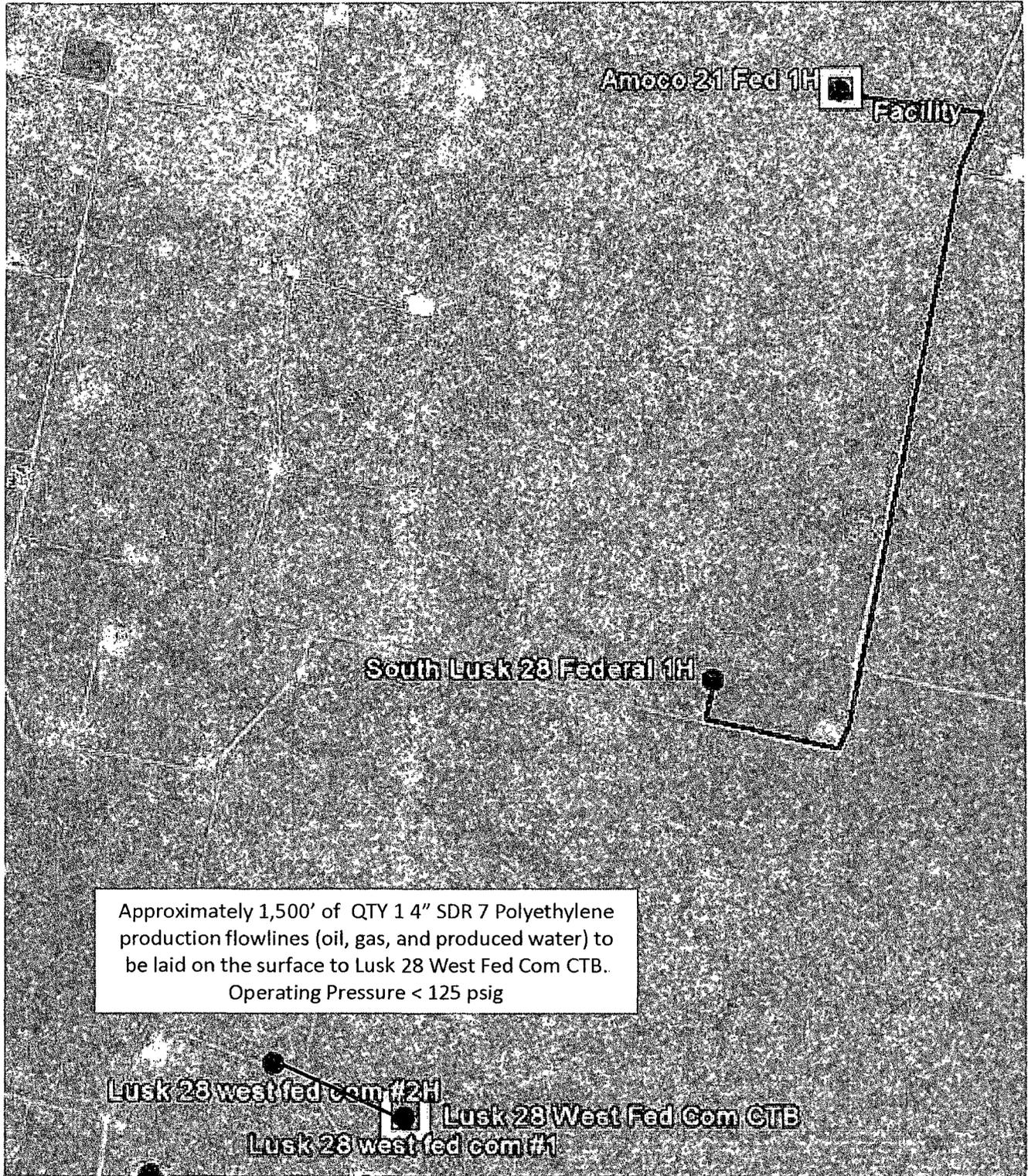
SURVEY OF AN ELECTRIC LINE  
CROSSING SECTION 28,  
TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO

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

Survey Date: 8/14/12	CAD Date: 8/30/12	Drawn By: ACR
W.O. No.: 12111449	Rev: 9/7/12	Rel. W.O.: 12111438
Sheet 1 of 1		

# Lusk 28 West Fed Com #2H & #1H Flow line routing

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# Lusk 28 West Fed Com #2H & #1H Gas line routing

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