SURFACE USE PLAN OF OPERATIONS - Additional Information

Operator Name/Number:	**OXY USA Inc.**	**16696**
Lease Name/Number:	**Foxglove 29 Federal #4H**	
Pool Name/Number:	**Triple X Bone Spring**	
Surface Location:	340 FNL 990 FWL NWNW (D)	**Sec 29 T23S R33E**
Bottom Hole Location:	340 FSL 990 FWL SWSW (M)	**Sec 29 T23S R33E**

1. Existing Roads

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a. The well location is spotted on this map, which shows the existing road system, see attached.

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

b. If necessary, electric power poles will be set along side of the access road, see attached for survey

c. All flowlines will adhere to API Standards, see attached for survey

6. Construction Materials:

Primary

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

Secondary

The secondary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cubic yards is max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

A. The top 6" of topsoil is pushed off and stockpiled along the side of the location.
B. An approximate 120' X 120' area is used within the proposed well site to remove caliche.
C. Subsoil is removed and piled along side the 120' X 120' are within the pad site.
D. When caliche is found, material will be stocked piled within the pad site to build the location and road.
E. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
F. Once well is drilled the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in attached plat.

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MAY 13 2014

SURFACE USE PLAN OF OPERATIONS - Additional Information

Operator Name/Number:	**OXY USA Inc.**	**16696**
Lease Name/Number:	**Foxglove 29 Federal #4H**	
Pool Name/Number:	**Triple X Bone Spring**	
Surface Location:	340 FNL 660 FEL NENE (A)	**Sec 29 T23S R33E**
Bottom Hole Location:	340 FSL 660 FEL SESE (P)	**Sec 29 T23S R33E**

1. Existing Roads

a. The well location is spotted on this map, which shows the existing road system, see attached.

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

b. If necessary, electric power poles will be set along side of the access road, see attached for survey

c. All flowlines will adhere to API Standards, see attached for survey

6. Construction Materials:

Primary

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

Secondary

The secondary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cubic yards is max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

A. The top 6" of topsoil is pushed off and stockpiled along the side of the location.
B. An approximate 120' X 120' area is used within the proposed well site to remove caliche.
C. Subsoil is removed and piled along side the 120' X 120' are within the pad site.
D. When caliche is found, material will be stocked piled within the pad site to build the location and road.
E. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
F. Once well is drilled the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in attached plat.

SURFACE USE PLAN OF OPERATIONS

Operator Name/Number:	**OXY USA Inc.**	**16696**
Lease Name/Number:	**Foxglove 29 Federal #4H**	**304827**
Pool Name/Number:	**Triple X Bone Spring**	**59900**
Surface Location:	**340 FNL 980 FWL NWNW(D) Sec 29 T23S R33E**	**Federal Lse No. NMNM107395**
Bottom Hole Location:	**340 FSL 980 FWL SWSW(M) Sec 29 T23S R33E**	

1. Existing Roads

a. A copy of a USGS "Tip Top Wells, 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 9/12/13, certified 10/3/13.

c. Directions to Location: At the intersection of SH 18 and SH 128, go west on SH 128 for 20.6 miles. Turn right on CR 21 and go north for 4.0 miles. Turn left on XL road and go west for 3.4 miles. Turn right and go north for 1.0 miles. Turn left and go west for 1.0 miles. Turn right and go north for 0.1 miles. Turn left on proposed road and go west for 4091.7'. Turn right and go north for 75' to location.

2. New or Reconstructed Access Roads:

a. A new access road will be built. The access road will run approximately 4092' west, then 75' north 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 an existing caliche road as needed.

f. Water bars will be incorporated every 200' during the construction of the road, see attached.

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 Foxglove 29 Federal tank battery would be utilized and the necessary production equipment will be installed at the well site. See proposed Production Facilities Layout diagram.

b. If necessary, electric power poles will be set along side of the access road.

c. All flowlines will adhere to API Standards.

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.

6. Construction Materials:

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. See Additional Information of Surface USE Plan. VS 2-21-2014

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.
   1. Solids - CRI
   2. Liquids - Laguna

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:
   TFH Ltd. - Laguna SWD Facility

8. Ancillary Facilities: None needed

9. Well Site Layout

The proposed well site layout with dimensions of the pad layout and equipment location.

V-Door - East CL Tanks- North Pad - 280' X 410'

The well site will be bermed per BLM requirements, see attached.

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.

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:Brininstool XL Ranch, LLC, 2208 W. Main St. Artesia, NM 88210.
They will be notified of our intention to drill prior to any activity.

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.

d. A Cultural Resources Examination will be completed by APAC New Mexico and forwarded to the BLM office in Carlsbad, NM.

13. Bond Coverage:

Bond Coverage is Individual-NMB000862, Nationwide-ESB00226

Operators Representatives:

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

Don Kendrick
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