

COPY

MULTI-POINT SURFACE USE & OPERATIONS PLAN

BTA OIL PRODUCERS, LLC

**Mesa SWD 8105 JV-P #1W
1800' FNL & 1900' FWL
Sec. 11, T26S, R32E
Lea County, New Mexico**

HOBBS OGD

OCT 07 2015

RECEIVED

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the referenced well. The plan describes the location of the proposed project, proposed activities and operations plan, the magnitude of necessary surface disturbance, and the procedures to be followed in rehabilitating the surface after completion of the operation so that complete appraisal can be made concerning the environmental effects associated with the operations.

1. Existing Roads

- A. The well was staked by John West Surveying Company.
- B. Exhibit -B- is a topographic map showing the location of the proposed project as staked with existing roads and conditions within the one mile area. The existing location is approximately 25 miles west from Jal, New Mexico.
- C. From the intersection of State Hwy 128 and Co Rd #1 (Orla), go West approximately 29.2 miles, turn left and go South on Co. Rd. J1 (Orla Rd.) approximately 10.4 miles, turn left and go East approximately 1.6 Miles. Turn right and go South on 2-track road 1652 feet. Turn right and go west on staked road 248 feet to the location as shown on Exhibits B- and -C-.

2. Access Roads

- A. Our proposed new access road will be 1900 feet north from the well pad to the existing lease road as shown on Exhibit -B- and -D-.
- B. The maximum width of the road will be 15'. It will be crowned and made of 6" of rolled and compacted caliche. Ditches will be at 3:1 slope and 4 feet wide. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion. The road will be maintained during drilling operations and, if productive, as long as producing.
- C. Native caliche will be used for the access road and drill pad, compacted and watered. Caliche will be obtained from the actual well site, if available. If not available onsite, the material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be 1°.
- D. No cattle guards, grates, or fence cuts will be required. No turnouts are planned.
- E. We are, with this application, applying for new access ROW from the existing Lea Co Rd (Pipeline Road) extending to this location for BLM surface.

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3. Location of Existing Wells

- A. All existing wells within 1 mile radius of our proposed well are shown on the attached one-mile radius map.

4. Location of Existing and/ or Proposed Facilities

- A. We will use the existing well pad for the tank battery and all necessary SWD facilities.
- B. The tank battery and facilities, including all flow lines and piping, will be installed according to API specifications.
- C. If necessary, the well will be operated by means of an electric prime mover. Electric power poles and lines will be set along side of the access road and will be placed within 50' of the access road centerline. We are, with this application, applying for new electric line ROW from this location to Xcel Energy's power line that runs parallel to the existing Lea Co Rd.
- D. All flow lines will run along side of the access road and will be placed within 50' of the access road centerline.
- E. Additional facilities, if necessary for operations, will be applied for via Sundry notice with a schematic diagram prior to installation.
- F. Should the well be successfully completed for production, the original topsoil from the site will be returned to the location. The drill site will be contoured as close as possible to the original state.
- G. All facilities will be painted a flat, nonreflective, earthtone color to match the standard environmental colors within six months of installation.

5. Location and Type of Water Supply

- A. The well will be drilled with combination brine and fresh water mud system, as outlined in the drilling program. Water for drilling and completion operations will either be purchased from commercial water stations in the area and trucked to the well site using the existing and proposed roads or transported from a pre-existing water well by plastic temporary "fas-line" laid on the surface alongside existing roads. No water well will be drilled on the location.

6. Source of Construction Materials

Obtaining caliche: One primary way of obtaining caliche to build location and road 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 obtaining caliche. 2400 cubic yards is the

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maximum 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 inches of topsoil is pushed off and stockpiled along the side of the location.
- B. An approximate 160' X 160' area is used within the proposed well site to remove caliche.
- C. Subsoil is removed and stockpiled within the surveyed well pad.
- D. When caliche is found, material will be stock 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.
- G. 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 the Well Site Layout or survey plat.

Caliche used for construction of the drilling pad and access road will be obtained from the closest existing caliche pit as designated by the BLM or from prevailing deposits found under the location. If there is not sufficient material available, it will be purchased from the area designated by the BLM.

7. Methods of Handling Waste Disposal

- A. This will be a closed loop system. Drill cuttings will be held in roll-off style mud boxes and taken to an NMOCD approved disposal site.
- B. Any oil and condensate produced during testing will be stored in test tanks until sold.
- C. Human waste and grey water will be properly contained and disposed of. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- D. The supplier will pick up salts remaining after completion of well, including broken sacks.
- E. After the rig is moved and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. Trash, waste paper and garbage will be disposed of by hauling to an approved and available disposal. All waste material will be contained in a totally enclosed trash basket with a fine wire mesh, to prevent wind scattering during collection. The road and pad will be kept litter free.

8. Ancillary Facilities

- A. It is possible that a mobile home will be used at the well site during drilling operations.

9. Wellsite Layout

- A. Exhibit -D- shows the existing pad layout.
- B. Exhibit -E- shows the rig layout.

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- C. Topsoil, if available, will be stockpiled per BLM specifications.
- D. As the pad is almost level, no major cuts will be required.
- E. Mud tanks in the active circulating system will be steel tanks.

10. Plans for Restoration of Surface

- A. Following drilling and/or completion operations, all equipment and material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the well site as clean as possible.
- B. The pad will be downsized by reclaiming areas not needed for production operations.
- C. The portions of the pad that are not needed for production operations will be re-contoured to its original state, as much as possible.
- D. The caliche that is removed will be reused to either build another pad site or for road repairs within the lease.
- E. Stockpiled topsoil will be spread out over the reclaimed area and reseeded with a BLM approved seed mixture.
- F. In the event the well may need to be worked over or maintained, it may be necessary to drive, park, and/or operate machinery on reclaimed land. This area will be repaired or reclaimed after work is complete.
- G. Upon cessation of the well, all rehabilitation and/or vegetation requirements of the BLM will be complied with and will be accomplished as expeditiously as possible.
- H. Upon cessation of the well, all disturbed areas will be contoured to reflect its surroundings as much as possible and will be seeded at a depth of one-half inch using the following mixture:
 - 1 pound per acre Alkali Sacaton (*Sporobolus airoides*)
 - 5 pound per acre Four-wing Saltbush (*Atriplex canescens*)
- I. Seeding will be completed after September 15 and prior to November 15th before freeze up or as early as possible the following spring to take advantage of available ground moisture.
- J. Newly constructed access road will be recontoured, disked, and seeded as specified above. All rehabilitation work, including seeding, will be completed as specified by the BLM, or sooner if conditions permit.

11. Surface Topography

- A. The surface ownership is: USA – BLM
620 E. Greene Street
Carlsbad, NM 88220

Grazing Lease: Oliver Kiehne
Box 135
Orla, Tx 79770-0135

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- B. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas.
- C. The wellsite and access route are located within the Red Hills area. The area is fairly flat grassland with sandy loam soil. The vegetation is moderately sparse with native prairie grasses, some mesquite and shinnery oak.
- D. There is no permanent or live water in the general proximity of the location, though Red Hills Draw runs through the section. On-site discussion with the BLM aided in choosing this location as being a sufficient distance from the draw.
- E. There are no houses or buildings within one mile of the drillsite.
- E.. Signs identifying and locating our well will be maintained at the drillsite and principle entrance, commencing with the spudding of the well.
- F. An MOA/PBPA will be entered into with the BLM for archaeological needs.
- G. CEHMM will prepare the EA, using BLM onsite field records, and furnish directly to the Carlsbad BLM office.

12. Bond Coverage: NM1195 & NM000849

13. Operator's Representative:

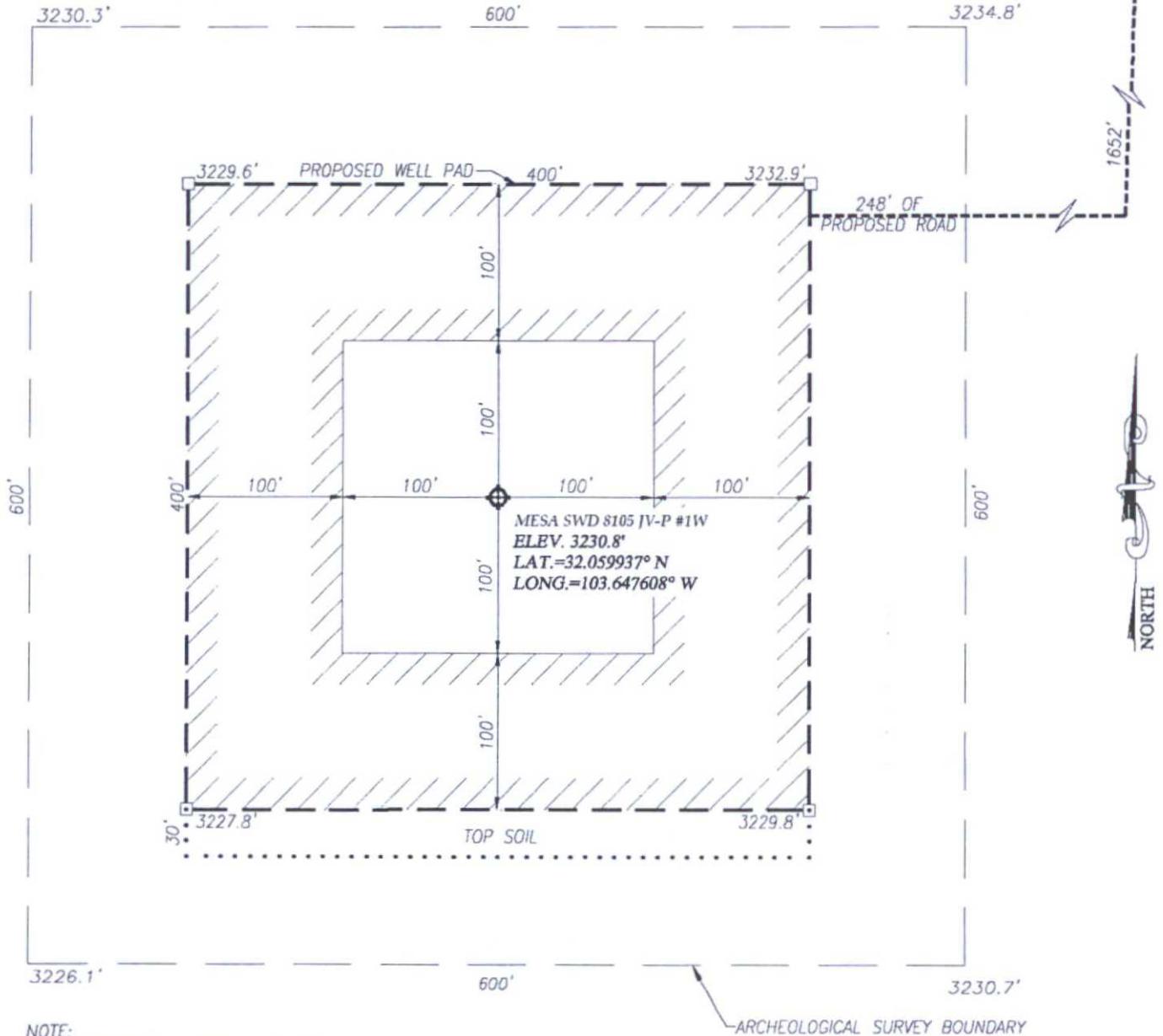
- A. The field representative that is responsible for assuring compliance with the approved surface use plan is:

Drilling Manager: Mr. Nick Eaton
Phone: 432/682-3753 (Office)
432/260-7841 (Mobile)

Attachment to APD
 BTA Oil Producers LLC
 Mesa SWD 8105 JV-P #1W
 Exhibit -D-
 UL F Sec 11, T26S, R32E
 Lea County, NM

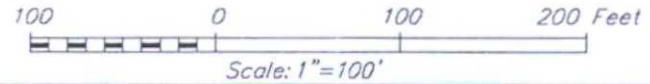
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EXIST. RD.



NOTE:
 1) SEE "LOCATION VERIFICATION MAP"
 FOR PROPOSED ROAD LOCATION.

//// DENOTES AREA TO BE RECLAIMED



DIRECTIONS TO MESA SWD 8105 JV-P #1W:

FROM THE INTERSECTION OF HWY 18 AND HWY. 128 (JAL N.M.)
 GO WEST ON HWY 128 APPROX. 29.2 MILES TURN LEFT AND GO
 SOUTH ON CO. RD. J1 (ORLA RD.) APPROX 10.4 MILES TURN
 LEFT AND GO EAST APPROX. 1.6 MILES. TURN RIGHT AND GO
 SOUTH ON 2-TRACK ROAD 1652 FEET. TURN RIGHT AND GO
 WEST ON STAKED ROAD 248 FEET TO THE LOCATION.

BTA OIL PRODUCERS, LLC

MESA SWD 8105 JV-P #1W WELL
 LOCATED 1800 FEET FROM THE NORTH LINE
 AND 1900 FEET FROM THE WEST LINE OF SECTION 11,
 TOWNSHIP 26 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
 TBPLS# 10021000

Survey Date: 8/12/14	CAD Date: 8/25/14	Drawn By: ACK
W.O. No.: 14110862	Rev. :	Rel. W.O.:

EMERGENCY CALL LIST

	<u>OFFICE</u>	<u>MOBILE</u>
BTA OIL PRODUCERS LLC OFFICE	432-682-3753	
BEN GRIMES, Operations	432-682-3753	432-559-4309
NICK EATON, Drilling	432-682-3753	432-260-7841

EMERGENCY RESPONSE NUMBERS

	<u>OFFICE</u>
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT	575-885-3125
NEW MEXICO OIL CONSERVATION DIVISION	575-748-1283
INDIAN FIRE & SAFETY	800-530-8693
HALLIBURTON SERVICES	800-844-8451