

Seely Oil Company
E-K Queen Unit 211
1980' FNL & 2296' FEL
Sec. 13, T. 18 S., R. 33 E.

SURFACE PLAN PAGE 1

HOBBS OCD

APR 27 2016

Surface Use Plan

RECEIVED

1. ROAD DIRECTIONS & DESCRIPTIONS (See MAPS 1-4)

From Maljamar...

Go South 4.6 miles on paved Lea County Road 126 to a stop sign on NM 529

Turn left & go E 10 miles on paved NM 529 to the equivalent of milepost 16.9

Turn right and go SW 1/10 mile on a caliche road

Then turn right and go NW & W 0.4 mile on a caliche road to the far side of 210

Then bear left and go WSW 350.7' cross-country to the 211 pad

Roads will be maintained to a standard at least equal to or better than their present condition. All access off NM 529 is in the unit.

2. ROAD TO BE BUILT OR UPGRADED (See MAPS 3 & 4)

The 350.7' of new road will be crowned, have a 14' wide driving surface, and be surfaced with caliche. Borrow ditches will turn out at least once. Maximum disturbed width = 20'. Maximum grade = 5%. Maximum cut or fill = 4'. No culvert, cattle guard, or vehicle turn out is needed. Existing road upgrading will consist of fixing potholes with caliche.

3. EXISTING WELLS (See MAP 2)

Existing oil, gas, injection, water, and P & A wells within a mile are shown on MAP 2. There are no disposal wells within a mile radius.

4. PROPOSED PRODUCTION FACILITIES (See MAPS 3 & 5)

A 339.2' raptor safe overhead power line will be built from the pad parallel to the new road to the power line west of 210.

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A 373' long 2" O. D. SDR-11 HDPE surface flowline will be laid parallel to the new road to the 210 pad. Maximum operating pressure will be 70 psi.

5. WATER SUPPLY (See MAPS 1-4)

Water will be trucked from McBroom's water station (L 04649) in 3-18s-33e.

6. CONSTRUCTION MATERIALS & METHODS

NM One Call (1-800-321-ALERT) will be notified before construction starts. The top 6" of soil and brush will be stockpiled north of the pad. A closed loop drilling system will be used. Caliche will be bought and hauled from an existing approved caliche pit. Dirt contractor will be responsible for caliche.

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage. It will be hauled to a county landfill. There will be no trash burning. Contents (drill cuttings, mud, salts, and other chemicals) of the mud tanks will be hauled to state approved disposal sites. Human waste will be disposed of in chemical toilets and hauled to an approved dump station.

8. ANCILLARY FACILITIES

There will be no airstrip or camp. Camper trailers will be on location for the company man, tool pusher, or mud logger.

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9. WELL SITE LAYOUT

See MAP 4 and the rig diagram for depictions of the well pad, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. RECLAMATION

Interim reclamation will consist of removing the caliche from at least a 75' wide swath on the north and south sides of the pad and a 25' swath on the east and west sides. A $\approx 100'$ x $\approx 200'$ area will be left open for operations. Disturbed areas will be contoured to a natural shape and no steeper than 3:1. Soil and brush will be evenly spread over disturbed areas. Seeded areas will be ripped or harrowed. A BLM approved seed mix will be sown in a BLM approved manner. Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. Once the well is plugged, then the remainder of the pad will be similarly reclaimed. Noxious weeds will be controlled.

11. SURFACE OWNER

All construction will be on BLM.

12. OTHER INFORMATION

An on site inspection was held with Trish Bad Bear (BLM) on November 4, 2014.

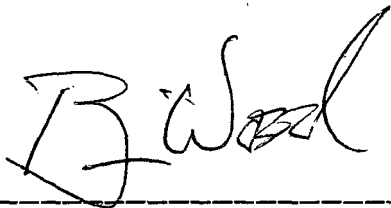
Lone Mountain Archaeological will inspect the project area.

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REPRESENTATION

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 which currently 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 16th day of December, 2014.



Brian Wood, Consultant
Permits West, Inc.

37 Verano Loop, Santa Fe, NM 87508

(505) 466-8120

FAX: (505) 466-9682

Cellular: (505) 699-2276

Field representative will be:

David Henderson, President

Seely Oil Company

815 West Tenth Street

Ft. Worth, TX 76102

(817) 332-1377

SEELY OIL COMPANY

815 WEST TENTH STREET
FORT WORTH, TEXAS 76102

July 29, 2014

To: Carlsbad Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220

From: David L Henderson
President

Subject: Permits West, Inc. Authorization

This letter authorizes employees of Permits West, Inc. to represent Seely Oil Company in our company's dealings with all Bureau of Land Management offices, including, but not limited to, filing all government paperwork such as Notices of Staking, Applications for Permits to Drill, Sundry Notices, and Rights-of-Way Applications.

Please contact me at 817-332-1377 or at the email below if there are questions or if additional information is required.

Sincerely,

A handwritten signature in black ink, appearing to read "Dantz Henderson", written over a circular scribble.

David L. Henderson
President
dhenderson@seelyoil.com