

MULTI-POINT SURFACE USE AND OPERATORS PLAN

GAS PRODUCING ENTERPRISES, INC.
FEDERAL "4" WELL NO. 2
660'/NORTH & 1980'/WEST, SECTION 4
T-10-S, R-37-E, LEA COUNTY, NEW MEXICO
FEDERAL LEASE NO. NM-0100236

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, and the magnitude of rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS

- A. Exhibit "A" is a portion of a topographic map showing the location of the proposed well as staked. This location can be reached from the intersection of State Highways 18 and 508 in Crossroads. Go East on Highway 508 approximately 9 miles to cattleguard in Highway. Cross through cattleguard and turn right or South and proceed on a graded road for 0.7 mile to a junction, turn left or East for 1.7 miles to a crossroad. Turn right or South on a graded road for 0.6 mile, to Gas Producing Enterprises, Inc. Sawyer State Well No. 1. The proposed location is 0.25 miles west.
- B. Exhibit "B" is a map showing all existing roads within a one mile radius of the well site.

2. PLANNED ACCESS ROAD

- A. Length and Width: 1210 feet of new road will be built. It will be 12 feet wide and surfaced with 6" caliche, watered and compacted and crowned to allow drainage. The center line of the proposed new road has been staked and flagged with the flags being visible from any one to the next.
- B. Maximum Grade: This new road will extend from the Southwest corner of the pad at the Sawyer State Well No. 1, on grade to a point 75 feet South and 90 feet East of the proposed location.
- C. Turnouts: None will be required.
- D. Drainage Design: 6" of watered and compacted caliche will be used on the new road and the finished surface will be crowned to allow for drainage.

- E. Culverts: None will be required.
- F. Surface Materials: Caliche will be used to surface the new road and well pad.
- G. Gates, Cattleguards: No gates or cattleguards will be required.

3. LOCATION OF EXISTING WELLS

All existing wells within a one mile radius are shown on Exhibit "B".

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

- A. Exhibit "B" shows the existing tank battery and flow lines.
- B. If the proposed well is productive, the new flow line to the existing tank battery will be as shown in Exhibit "B".
- C. Power for the equipment on the proposed well, if productive, will be obtained from an existing line shown on Exhibit "B". All new equipment will be located on a pole in the existing system and service to the well will be buried.

5. LOCATION AND TYPE OF WATER SUPPLY

Water for drilling the well will be trucked to the well site over the existing and proposed roads shown on Exhibit "B".

6. SOURCE OF CONSTRUCTION MATERIALS

- A. Caliche for the road and well pad will be obtained from a pit located in the SE/4 NW/4 Sec. 33, T-9-S, R-37-E. See Exhibit "A".
- B. The caliche pit is located on land owned by Mr. Michael Harton. The dirt contractor, C & O Services, will haul the caliche to the road and well site over the road as shown in Exhibit "B".

7. METHOD OF HANDLING WASTE DISPOSAL

- A. Drilling cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until they are dry.
- C. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.

- D. Current laws and regulations pertaining to the disposal of human wastes will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind. Location of trash pit is shown on Exhibit "C".
- F. All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES

- A. None will be required.

9. WELL SITE LAYOUT

- A. The well site slopes downward to the north and will require a 2 foot cut on the South edge and 2 foot fill on the North.
- B. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pits, and trash pits with respect to the well bore. The rig will be erected with the V-door to the East.
- C. The reserve pit will be plastic lined.
- D. Only the actual location, access road, and flow line to the existing battery have been staked. All of the pits and location work will be performed within a 400 foot by 400 foot area staked out for archeological review. The actual boundaries of the well pad and pits will be staked prior to commencing construction.

10. PLAN FOR RESTORATION OF SURFACE

- A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment of the well, surface restoration will be in accordance with the agreement with the surface owner. Pits will be filled and the location will be cleaned. The pit area, well pad, and all unneeded access road will be ripped to promote revegetation. Rehabilitation should be accomplished within 90 days after abandonment.

11. OTHER INFORMATION

- A. Topography: Land surface is sand underlaid by caliche. From the wellsite elevation of 3975.2 feet, the general slope is to the southeast at 15 feet per mile. See Exhibit "A" for other surface features.
- B. Flora and Fauna: The vegetative cover is scattered mesquite, shinnrey oak, and native grasses. Wildlife in the area includes rabbits, rodents, reptiles, and occasional dove and quail.
- C. Soil: Shallow sand layer over caliche.
- D. Ponds and Streams: There are no rivers, lakes, or natural streams in the area.
- E. Residences and Other Structures: There are no houses or buildings within 1/2 mile of the proposed location.
- F. Land Use: Grazing
- G. Surface Ownership: The well site and all newly constructed roads and flow lines are on land owned by Mr. Michael Harton.

12. OPERATOR'S REPRESENTATIVES

The field representative responsible for assuring compliance with the approved surface use and operations plan are as follows:

Mr. Don Harvey
P.O. Box 966
Lovington, New Mexico 88260
Mobile Phone: (505) 397-3291 Unit 4039
Home Phone: (505) 396-5406

Mr. H.E. Clarke
P.O. Box 235
Midland, Texas 79702
Office Phone: (915) 682-7925
Home Phone: (915) 682-7866

13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Gas Producing Enterprises, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

4-18-78

Date

H.E. Clarke Dist. Prod. Supt.
Name and Title