

- 3) Temporarily abandoned wells - None
 - 4) Disposal wells - None
 - 5) Drilling wells - None
 - 6) Producing wells - Shown on Exhibit "D"
 - 7) Shut-In wells - None
 - 8) Injection wells - None
 - 9) Monitoring or observation wells for other resources - None
4. TANK BATTERIES, PRODUCTION FACILITIES AND LEASE PIPELINES -
- A. Exxon has storage facilities at Isler Federal #1 located in the NE/4 of the NE/4 of Section 31 and New Mexico CR State #1 located in the SW/4 of the NW/4 of Section 32. These facilities lie approximately 1 mile NNE of the proposed Morgan Federal drillsites.
 - B. In the event of production, new facilities are shown on Exhibit "B".
 - 1) Proposed location and attendant lines by flagging if off of well pad.
 - 2) Dimensions of facilities are shown on Exhibit "B".
 - 3) Production facilities will be constructed on drillsite pad using caliche surface.
 - 4) Equipment and pit will be fenced and flagged to protect livestock and wildlife, if necessary.
 - C. Rehabilitation will be done on any disturbed areas no longer needed for operations after completion of the production facilities. This will consist of reshaping the existing surface and seeding as specified.
5. LOCATION AND TYPE OF WATER SUPPLY -
- A. Water will be hauled from an existing source off the lease. Brine water will be hauled by truck from a source outside the area.
 - B. Water will be hauled over existing roads.
 - C. No water well will be drilled.
6. SOURCE OF CONSTRUCTION MATERIALS -
- A. Caliche will be obtained from a pit northeast of the drillsite as shown on Exhibit "A".
 - B. No construction materials will be used from Federal lands.

- C. Caliche secured from private sources will be used where needed on the road and drillsite.
- D. All access roads are shown on Exhibit "A".

7. WASTE DISPOSAL -

- A. Drill cuttings will be disposed of in the reserve pit.
- B. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.
- C. Trash, waste paper, garbage and junk will be burned or buried with a minimum of 24" cover. Waste material will be contained to prevent scattering by wind prior to ultimate disposal.
- D. Any produced water will be contained in tanks and be disposed of in an approved manner. Oil produced will be stored in tanks until sold, at which time it will be hauled from location.
- E. Current laws and regulations pertaining to disposal of human waste will be complied with.
- F. If productive, maintenance waste will be placed in special containers and buried or hauled away periodically.

8. ANCILIARY FACILITIES - No camps, airstrips, et cetera, will be constructed.

9. WELL SITE LAYOUT -

- A. Refer to Exhibit "B" for well site layout.
- B. Dimensions may vary slightly depending on size of drilling rig available.
- C. Terrain at the well site is very flat as shown on Exhibit "B".
- D. The pad will be topped with material obtained from the reserve pit or material hauled in from private property over the access road.
- E. The reserve pit will be approximately 150' X 150' top width.

10. RESTORATION OF SURFACE -

- 1) At the time of completion and abandonment of the well, the pits will be backfilled and the entire disturbed area will be sloped to coincide with the adjacent undisturbed area. The top soil will be distributed over the entire disturbed area. Prior to leaving the drillsite upon rig move out and before reshaping any pit that is to remain open for drying will be fenced until backfilling and reshaping can be done.
- 2) When well is abandoned the new road will be rehabilitated as per BLM recommendations.
- 3) Any rehabilitation of the drill pad will comply with BLM specifications.

- 4) Any oil on pits will be removed or otherwise disposed of to USGS and BLM approval.
- 5) Rehabilitation operations will be completed as soon as practical after abandonment of the well and no later than the Fall after abandonment.

11. OTHER INFORMATION -

- A. Terrain - Flat prairie.
- B. Soil - Sandy.
- C. Sparse vegetation - Mesquite and some native grasses.
- D. There are no buildings, ponds, water wells, archeological, historical or cultural sites in the immediate area.
- E. Surface use is grazing.
- F. Effect on Environment - Drillsite, which is in nearly flat semi-arid, desert country, is in a low environmental risk area. The total effect of drilling and producing in this area would be minimal. No known archeological, historical, or cultural sites exist in the drill or road areas.
- G. Surface ownership - the drillsite and new access road is located on lands owned by U.S.A.
- H. Open Pits - All unattended pits containing mud or other liquids will be fenced.
- I. Well sign - Sign identifying and locating well will be maintained at drillsite commencing with the spudding of the well.

12. OPERATOR'S REPRESENTATIVE - Field representative who can be contacted concerning compliance of this Surface Use Plan is:

W. R. Wardroup
P. O. Box 1600
Midland, TX 79702
Office Phone: (915) 683-0263
Home Phone: (915) 694-5067

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 Exxon Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. A copy

of this plan will be posted at the well site during the drilling of the well for reference by all contractors and subcontractors.

Date 1-18-79

W. R. Wardroup
W. R. Wardroup
Division Drilling Manager

MK/hd