

ARMER OIL COMPANY

ALLIED FEDERAL #1 WELL
1980' FNL & 330' FWL Section 27-T18S-R34E
E-K Queen, East Field
Lea County, New Mexico

Attachment to Application for Permit to Drill
Development Plan for Surface Use

- I. Existing Roads - Existing road to be used includes Caliched Lease road at a north turn-off from State Highway 529 on the N-S Boundary between Section 27 & 28-T18S-R34E, Lea County, New Mexico. Caliched Lease road will be used in northerly direction for approximately 700'.
- II. Planned Access Road - Approximately 300' of 12-foot wide Caliched Lease road will be built from the above point in the existing lease road in a easterly direction to the proposed location.
- III. Location of Well - Proposed location is 1980' FNL & 330' FWL Section 27-T18S-R34E approximately 25 miles west of the city of Hobbs, New Mexico.
- IV. Lateral Roads to Well Locations - Additional lateral roads to other well locations will be built just prior to actual drilling operations.
- V. Location of Tank Batteries and Flow Lines - Tank Battery will be located on well location pad of this initial well on the Allied Federal Lease.
- VI. Locations and Types of Water Supply - Fresh water from commercial water company will be hauled by truck to drill well.
- VII. Methods for Handling Waste Disposal - 50' x 100' reserve mud pit to be covered upon completion of well will be for disposal of drilling mud and cuttings. Paper and other debris will be placed in 8' x 20' burn pit.
- VIII. Location of Camps - No camps are located in area of proposed location.
- IX. Location of Airstrips - There is an abandoned air strip approximately 1-2 miles east of the proposed well location.
- X. Location Layout to Include Position of the Rig, Mud Tanks, Reserve Pits, Burn Pits, Pipe Racks, Etc. - See Attachment.
- XI. Plans for Restoration of the Surface - All pits will be filled upon well completion and ground around location will be levelled with space allowed for well servicing. In event of dry hole, road and location will be ripped to restore to natural landscape.

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- XII. Miscellaneous - No other known environmental information is applicable to this proposed location.

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