

SURFACE USE PLAN

January 30, 1980

Phillips Petroleum Company, U. S. Minerals' Lease Well No. 5, SW/4 SE/4, Section 30, T-17-S, R-33-E, Lea County, New Mexico. (Lease No. NM-801.)

This plan is to accompany "Application for Permit to Drill" the subject well which is located approximately four (4) miles southeast of Maljamar, New Mexico. The following is a discussion of pertinent information concerning the possible effect which the proposed drilling well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and sub-contractors will be aware of all items of this plan.

1. Existing Roads

- A. A community oil field caliched road cuts Section 30 in a north - south direction approximately 1000' east of well site and an existing lease road commences at the community oil field road at a point in the SE/4 of Section 30 that runs east and west lead in to Well No. 4. (See map.)

2. Planned Access Roads

- A. Commencing at existing east - west lease road in the SW/4 SE/4, Section 30, construct a 12' x 400' road in a northerly direction to the proposed well site located SW/4 SE/4, Section 30. (See map.)
- B. Turnouts: None.
- C. Drainage Design: New road will have a center line to side lines slope.
- D. Culverts, Cuts and Fills: None.
- E. Surfacing Material: Caliche well pad and roads.
- F. Gates, Cattleguards, Fences: None.
- G. Proposed Road: The proposed road is centerline staked.

- 3. Locations of Existing Wells: No. 4 is located 660' FS & 1980' FE Lines, Section 30, T-17-S, R-33-E.

- 4. Locations of Tank Batteries, Production Facilities, Production Gathering, and Service Lines: The present tank battery is located at the No. 4 well-site on the U. S. Minerals Lease on a caliched pad approximately 30' x 115'. Flow line from Well No. 5 to run alongside proposed access roadway.

- 5. Water Supply Source: To be purchased from Steve Carter and trucked to site.

6. Source of Construction Materials

- A. Caliche for surfacing the new road and well pads will be obtained from a pit approximately 1/2 mile SE of wellsite and trucked.
- B. Caliche pit is located on State lands.

7. Methods for Handling Waste Disposal

Will be put in separate waste pits and covered with minimum of 2' backfill. (See sketch.) If well is productive, maintenance waste will be placed in

special trash cans and hauled away periodically. All produced water will be collected in tanks until hauled to an approved disposal system, or separate disposal applications will be submitted for appropriate approval.

8. Ancillary Facilities: None.

9. Well Site Layout: Attached sketch shows the relative location and dimensions of the well pad, mud pit, reserve pit, and trash pit. Location will be 400' east west x 400' north south.

10. Plans for Restoration of Surface:

Pit will be backfilled and levelled as soon as practical to original condition. If well is productive, caliche pad will remain as well service pad. If dry hole, pads and access roads will be ripped per regulations. Commencement of rehabilitation operations will immediately follow removal of drilling and completion equipment from location and rehabilitation of the surface is planned to be completed within 60 days from commencement.

11. Other Information:

- A. Terrain: Low rolling sand hills. See attached topographic map of area.
- B. Soil: Rocky.
- C. Vegetation: Mesquite.
- D. Surface Use: Possibly grazing.
- E. Ponds and Streams: None within one mile.
- F. Water Wells: None within 3/4 to 1 mile.
- G. Residences and Buildings: Ranch house approximately 3/4 to 1 mile east.
- H. Arroyos, Canyons, etc.: There are no significant surface features.
- I. Well Sign: Sign identifying and locating the well will be maintained at drill site with the spudding of the well.
- J. Archaeological Resources: None observed.

12. Operator's Representative: Field personnel who can be contacted concerning compliance of the "Surface Use Plan" is as follows:

Production and Drilling
W. W. Allen
4001 Penbrook Street
Odessa, Texas 79762
Phone: 915-367-1260

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site 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

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by Phillips Petroleum Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

January 30, 1980

Date

W W Allen

W. W. Allen

Production Superintendent, Odessa Area,
Southeastern Region

Phillips Petroleum Company