Attachment 1
SURFACE USE AND OPERATING PLAN

Occidental Permian, Ltd.
North Hobbs G/SA Unit Well No. 29-814
819 FSL & 1003 FWL
Unit Letter M, Section 29, T-18-S, R-38-E
Lea County, New Mexico

1. Existing Roads:

   A. Access to the location are shown in Attachment 2.
   B. The well site survey plat for the proposed well is shown in Attachment 3.
   C. Directions to location: From corner of Hwy 62/180 and West County Rd. Turn north on West County Rd. and go 1.1 miles. Trun left off West County onto the access road to reach the well pad.

2. Location of Existing Wells:

   Attachment 4 shows existing unit wells within a one-mile radius of this well operated by Occidental Permian, Ltd.

3. Location of Existing and/or Proposed Facilities:

   The well will be connected to an existing facilities located approximately 2300 feet west, northwest of this proposed site by a flowline installed according to API specifications.

4. Location and Type of Water Supply:

   The well will be drilled with a combination of brine and fresh water mud systems as outlined in the drilling program. The water will be obtained from commercial water stations in the area and hauled to the location by transport truck over the existing and proposed roads shown in Attachment 2. No water well will be drilled on the location.

5. Source of Construction Material:

   All caliche required for construction of the drill pad and to maintain the access roads will be obtained from an approved caliche pit. All roads and pads will be constructed of 6 inches of rolled and compacted caliche.

6. Methods of Handling Waste Disposal:

   A. Drill cuttings will be disposed of into the reserve pit.

   B. Drilling fluids will be contained in steel mud tanks. The reserve pit will contain any excess drilling fluid or flow from the well during drilling, cementing, and completion operations.

      1. The reserve pit will be an earthen pit, approximately 150 feet x 125 feet x 6 feet deep and fenced. The pit will be plastic-lined (5-7 mil thickness) to minimize loss of drilling fluids and saturation of the ground with brine water. The pit will be divided into two separate pits, one being for fresh water cuttings, and the other for brine water cuttings. At the completion of the well the pits will be allowed to dry, the brine cuttings will be removed and taken to a licensed disposal site, and the fresh water cuttings will be buried on site.

C. Water produced from the well during completion may be disposed into the brine cuttings side of the reserve pit or a steel tank. After the well is permanently placed on production, produced water will be collected in existing facilities.
D. A portable chemical toilet will be provided on the location for human waste during the drilling and completion operations.
E. Garbage and trash produced during drilling and completion operations will be collected in a screened-in trailer. All waste material will be contained to prevent scattering by the wind. After drilling operations are complete the trash will be disposed of in a nearby landfill.
F. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. No adverse materials will be left on the location. The reserve pit will be completely fenced and kept closed until it has dried. In the event of a dry hole, only a dry hole marker will remain.

7. Ancillary Facilities:

No airstrip, campsite, or other facilities will be built as a result of the operations on this well.

8. Well Site Layout:

Attachment 5 shows the planned orientation for the rig and associated drilling equipment, reserve pit, and pipe racks. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

9. Plans for Restoration of the Surface:

A. Upon completion of the proposed operations, if the well is abandoned, the caliche will be removed from the location and road and returned to the pit from which it was taken. The pit area, after allowing to dry, will be broken out and leveled. The original topsoil will be returned to the entire location that will be leveled and contoured to as nearly the original topography as possible. Pit lining material will be buried or hauled away in order to leave the location in an aesthetically pleasing condition. All pits will be filled and the location leveled within 120 days after abandonment.
B. The disturbed surface area will be restored per agreement with surface owners.

10. Surface Ownership:

The well site and lease is located entirely on priviatly owned surface.

11. Operator's Representative:

An Occidental representative responsible for assuring compliance with the surface use plan is as follows:

Drill Site Compliance:
Dusty Weaver
1017 W. Stanolind
Hobbs, NM 88240
Work Phone 806-894-8307

Well and Facilities Operations:
David Nelson
1017 W. Stanolind
Hobbs, NM 88240
Work Phone 505-397-8211

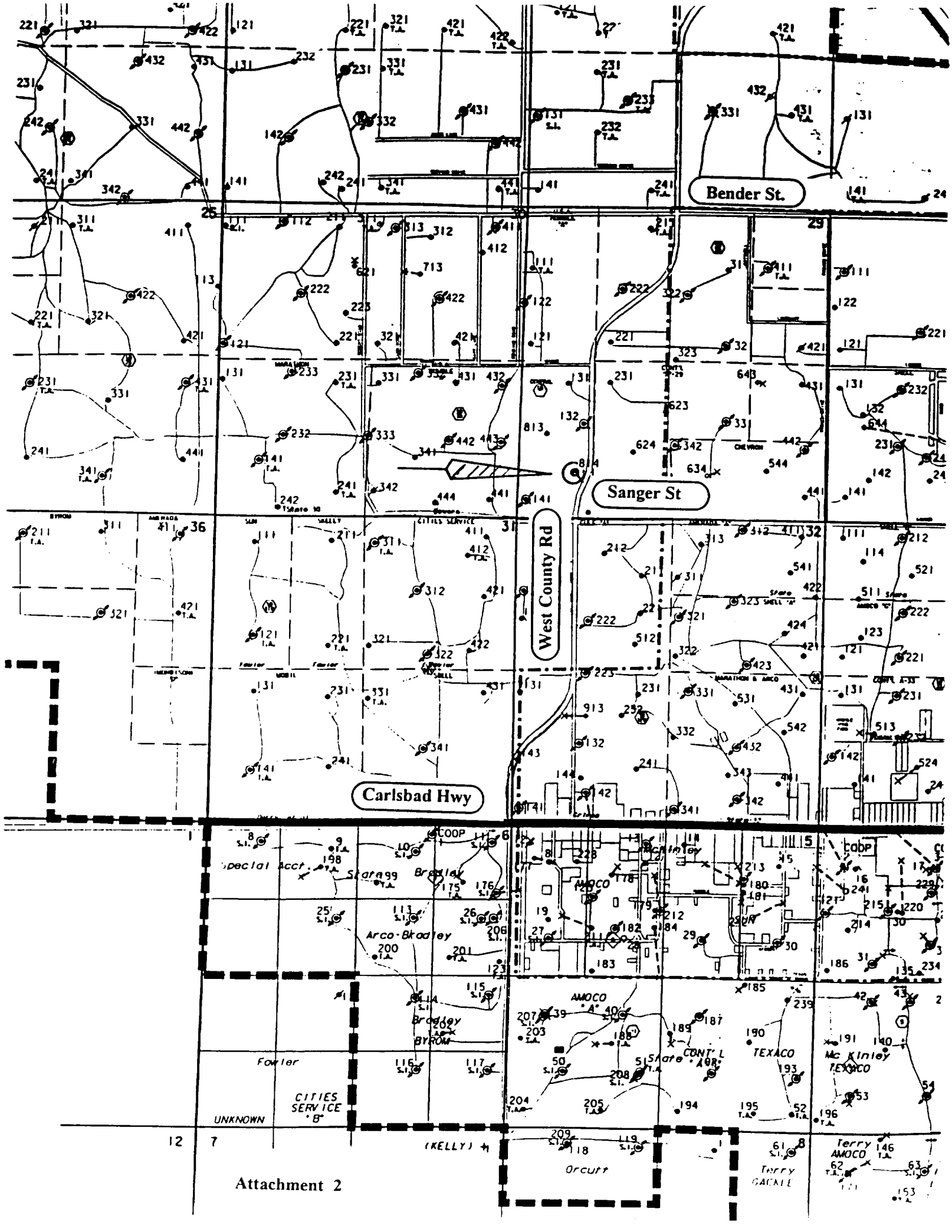
Certification:

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 currently exist; that the statements made in this plan are to best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by Occidental Permian, Ltd. and its contractors and subcontractors in conformity with this plan and the terms and conditions which is in approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date: 1/17/01

Signed: _____

David Nelson
Hobbs RMT Production Engineer



Attachment 2

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	31920	HOBBS:GRAYBURG - SAN ANDRES

Property Code	Property Name	Well Number
19520	NORTH HOBBS G/SA UNIT	814

OGRID No.	Operator Name	Elevation
157984	OCCIDENTAL PERMIAN LTD.	3642

Surface Location

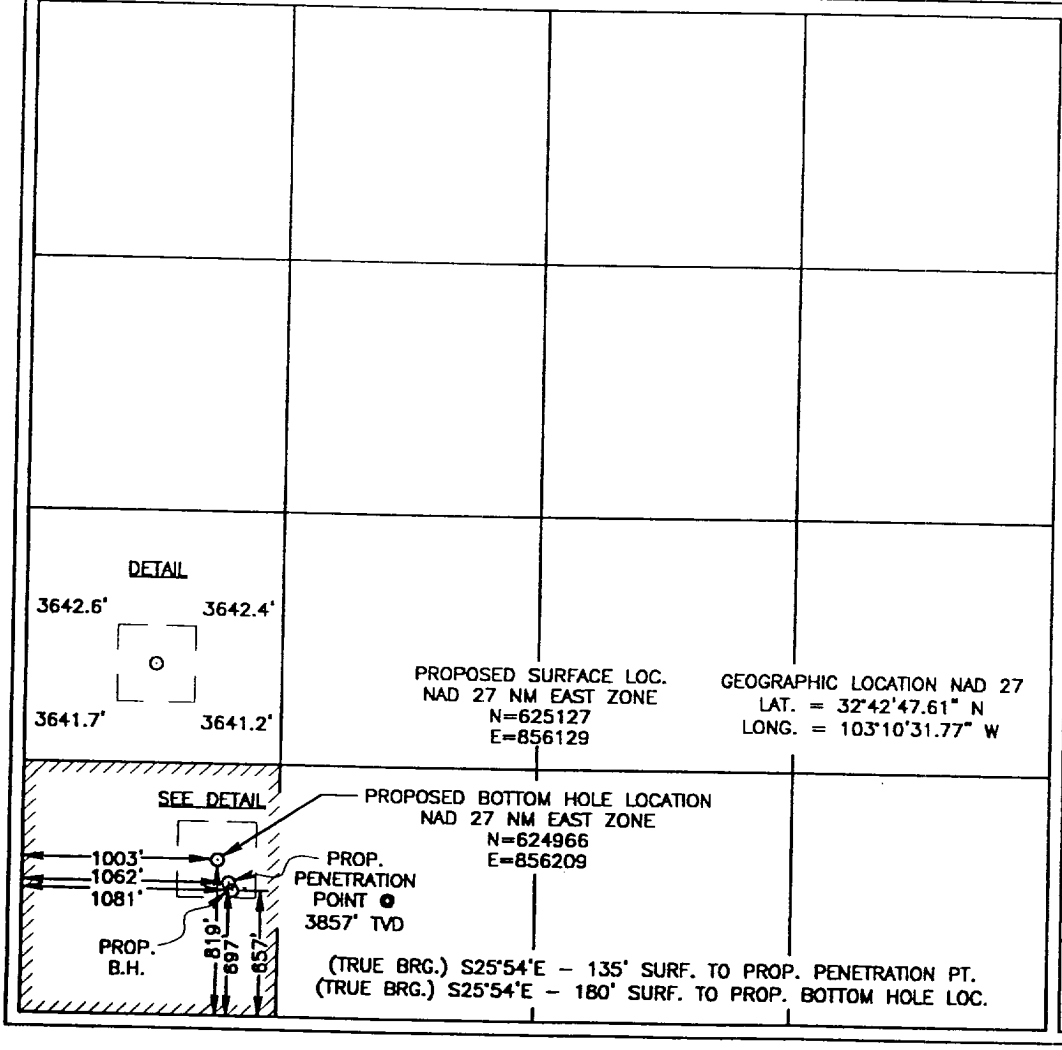
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	18 S	38 E		819	SOUTH	1003	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	18 S	38 E		657	SOUTH	1081	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Title

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

NOVEMBER 10, 2000

Date Surveyed LMP

Signature & Seal of Professional Surveyor

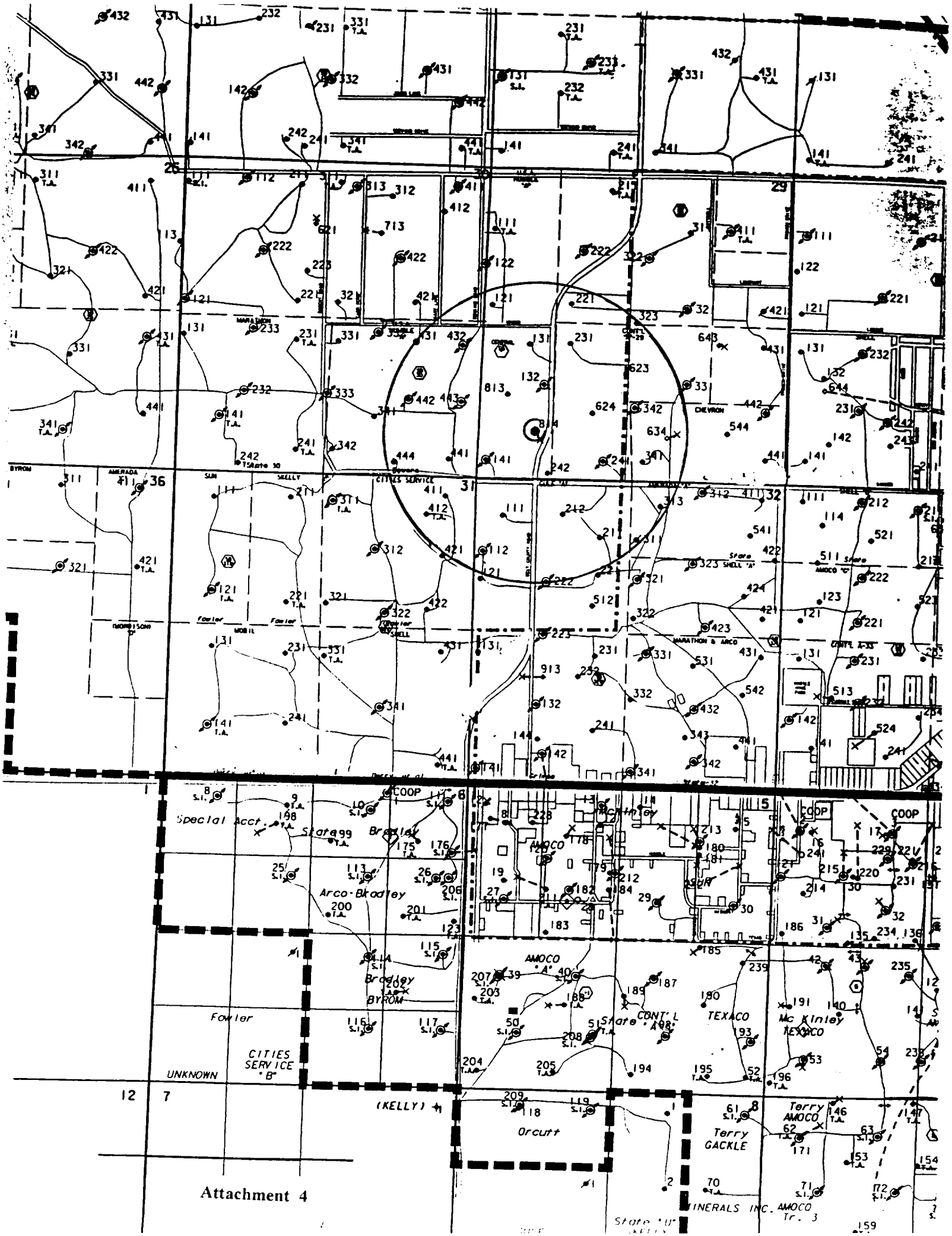
GARY L. EIDSON

01/02/01

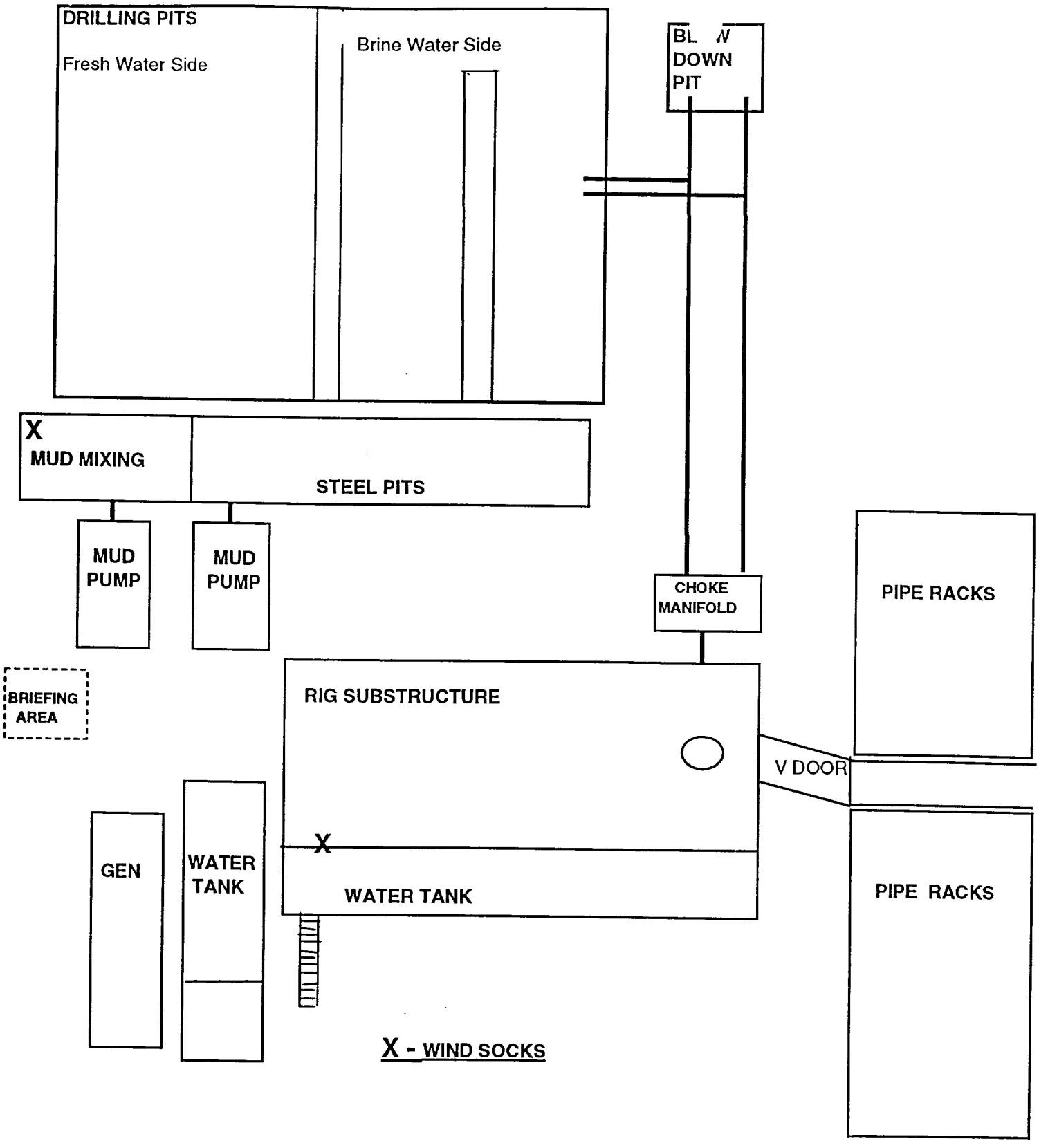
00-11-1449

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

Attachment 3



Attachment 4



BRIEFING AREA

LEASE ROAD ON TO LOCATION

CAUTION SIGNS

Attachment 5