

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
HARVEY E. YATES COMPANY
West Lynch Federal #1
330' FSL & 1650' FEL, Sec. 19, T-20S, R-34E
Lea County, New Mexico

This plan is submitted with the Application for Permit to Drill the above described test. The purpose of the plan is to describe the location of the proposed test, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in 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 highway map showing the location of the proposed test as staked. About 8 miles east of Halfway and 26½ miles northwest of Eunice, New Mexico on State Highway 176, a maintained road goes northwestward through sections 34, 28 and 20 and then northward connecting with U.S. Highway 62 and 180. Approximately 3 miles northwest of State Highway 176, and 4 miles south of U.S. Highway 62 and 180, the maintained road intersects a lease road trending west. The proposed location lies ¼ mile north of this lease road, 1½ miles west of the junction.

B. Exhibit B is a plat showing the existing roads and the planned access road.

2. PLANNED ACCESS ROAD

A. Length and width: The new road required will be 12 feet wide and about 990 feet long, going straight north from the existing road to the drilling pad. This new road is labeled and color coded green on Exhibit B.

B. Surface material: New road will be ditched on both sides and constructed with 6" compacted caliche.

C. Maximum grade: About 1 percent.

D. Turnouts: None required.

E. Culverts: None required.

F. Cuts and fills: Several small sand dunes (1 to 3 feet high) will be scraped to level the road bed.

G. Gates, cattleguards: If production is obtained, a cattleguard might be installed to comply with landowners pasture utilization.

3. LOCATION OF EXISTING WELLS

A. There are 2 dry holes in this section (color coded brown on Exhibit B) and 3 producing wells (color coded blue on Exhibit B).

4. LOCATION OF PROPOSED FACILITIES

A. If the test is productive the drilling pad will be utilized for the tank battery and flow lines with no additional surface disturbance.

5. SOURCE OF CONSTRUCTION MATERIAL

A. Caliche will be used in road construction and drilling pad construction and will be obtained from a pit located in the SE/SE of Section 28, Township 20 South, Range 34 East, Lea County, New Mexico.

6. LOCATION AND TYPE OF WATER SUPPLY

A. Water will be purchased and trucked to the wellsite over existing roads and the proposed new road as shown on the Exhibits.

7. METHODS OF HANDLING WASTE DISPOSAL

A. Drill cuttings will be disposed of in the drill pit.

B. Drilling fluids will be allowed to evaporate in the drill pit until pits are dry.

C. Water produced during tests will be disposed of in the drill pit. Oil produced during tests will be stored in test tanks until sold.

D. Current laws and regulations pertaining to the disposal of human waste 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 wind. Location of trash pit is shown on Exhibit C.

F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES

A. None required.

9. WELLSITE LAYOUT

A. Exhibit C shows the relative size and location of the drilling pad, pits and major rig components.

10. PLANS FOR RESTORATION OF THE 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 to leave the wellsite in as aesthetically pleasing condition as possible.

11. OTHER INFORMATION

- A. The topography consists of a gently dipping northward slope.
- B. The soil is fine sand with scattered small dunes underlain by hardpan and caliche.
- C. The vegetative cover is generally sparse and consists of mesquite, sandsage and perennial native range grasses. Wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, dove and quail.
- D. There are no rivers, streams, lakes or ponds in the immediate area.
- E. The nearest dwelling is a ranch home about 5 miles southeast of the wellsite. There is an oil pumping station about $3\frac{1}{2}$ miles southeast of the wellsite. There are no water wells within a 2 mile radius of the wellsite.
- F. There is no evidence of any historical, archaeological or cultural sites in the area.
- G. The proposed drillsite is on fee surface.

12. OPERATOR'S REPRESENTATIVES

- A. The field representatives responsible for assuring compliance with the approved surface use and operations plan are:

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13. CERTIFICATION

I hereby certify that I or persons under my 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 HEYCO and their contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

12/28/79

Date

Harvey E. Yates

Name and Title

Vice President

Name and Title