

SURFACE USE AND OPERATIONS PLAN

FOR

TEXACO INC.

A.H. BLINEBRY FEDERAL NCT-3 WELL NO.5
500'FNL & 558'FWL SEC.31, T.22 S., R.38 E.
LEA COUNTY, NEW MEXICO

LOCATED: 7 miles southeast of Eunice, New Mexico.

FEDERAL LEASE NUMBER: LC-032104.

LEASE ISSUED: January 1, 1940. Lease is in producing status.

ACRES IN LEASE: 2256.12.

RECORD LESSEE: Texaco Inc.

SURFACE OWNERSHIP: Tom and Evelyn Linebery
P. O. Box 1536
Midland, Texas 79702

POOL RULES: Statewide. 40 acre spacing for oil.

EXHIBITS: A. Road Map
B. Plat Showing Existing Wells and Existing Roads
C. Drilling Rig Layout
D. Topo Plat

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1. EXISTING ROADS:

- A. Exhibit "A" is a road map showing the location of the proposed well as staked. Point "A" on the plat is on State highway 18 at milepost 31.4, about 1/2 mile south of the junction of highways 18 and 176, where a paved road goes south. To go to the proposed well site from this point, exit State 18 onto the paved road and go south 3.9 miles to a point where a caliche road goes east. Turn east and go 2 miles and then south 1 mile to a cattle guard. The road forks here; turn southwest and go 0.2 mile to where a caliche road goes west. Turn west and go 0.7 mile to where a caliche road goes north. Turn north and go 0.1 mile to arrive at Texaco's A.H. Blinebry Federal NCT-3 well No. 1. The proposed well site is about 300 feet north of this well.
- B. Exhibits "B" and "D" show existing roads in the vicinity of the proposed well site. Existing roads are color coded on Exhibit "B".
- C. Any repair to existing caliche roads in the vicinity of the well site does not appear necessary at the present time.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The new road will be 15 feet wide and about 400 feet long, and is shown labeled and color coded red on Exhibit "B". The center line of the proposed new road is staked and flagged.
- B. Surfacing Material: Caliche. Watered, compacted, and graded.
- C. Maximum Grade: Less than 1 percent.
- D. Turnouts: None required.
- E. Drainage Design: The new road will be crowned with drainage to both sides.
- F. Culverts: None necessary.
- G. Cuts and Fills: None required.
- H. Gates and Cattle Guards: None necessary. No fences involved.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells in the immediate area are shown on Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. This well, if productive, will produce into the existing tank battery

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located as shown on Exhibit "B". The flow line connecting this well to the tank battery will be laid on the ground and not buried.

- B. If electric power is needed for this well, the existing lease electric line will be extended north, as shown on Exhibit "B", to a point east of the proposed well. The route for the new electric line has been staked and flagged.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is not contemplated that a water well will be drilled. Water necessary for drilling operations will be purchased and trucked to the well site, or will be moved to the well site by temporary pipeline laid on the ground alongside existing and proposed roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Caliche needed for construction work will be taken from an existing pit on privately owned land in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29, T.22 S., R.38 E., Lea County, New Mexico, and will be moved to the well site over existing and proposed roads. Location of the caliche pit is shown on Exhibit "D".

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of in the drilling pits.
- D. Oil produced during tests will be stored in test tanks until sold.
- 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 the wind. Location of the trash pit is shown on Exhibit "C".
- F. All trash and debris will be buried or removed from the well site within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.

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9. WELL SITE LAYOUT:

- A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pit, and trash pit, and the location of major rig components.
- B. No significant cut and fill will be necessary. Clearing and levelling of the well site will be required.
- C. The pad and pit area has been staked and flagged.

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 the location will be cleaned of all trash and junk to leave the well site in an as aesthetically pleasing condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special rehabilitation and/or revegetation requirements of the surface owner, if any, will be complied with and accomplished as expeditiously as possible. The surface owner's restoration requirements are set out in the attached letter.

11. OTHER INFORMATION:

- A. Topography: The land surface in the area of well site is relatively level. Regionally, land slope is to the west.
- B. Soil: Top soil at the well site is a sandy loam.
- C. Flora and Fauna: The vegetative cover is moderate and consists of mesquite, yucca, weeds, and range grasses. Wildlife in the area is that typical of semi-arid desert land, and includes coyotes, rabbits, rodents, reptiles, dove and quail.
- D. Ponds and Streams: There are no lakes, rivers, ponds, or streams in the area.
- E. Residences and Other Structures: There are no occupied dwellings within a mile of the proposed well site.
- F. Archaeological, Historical, and Cultural Sites: None observed in the area.

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G. Land Use: Oil and gas production, grazing, and wildlife habitat.

H. Surface Ownership: Tom and Evelyn Linebery
P. O. Box 1536
Midland, Texas 79702

12. OPERATOR'S REPRESENTATIVE:

The representatives responsible for assuring compliance with the approved Surface Use and Operations Plan are:

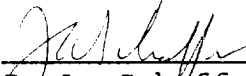
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13. CERTIFICATION:

I hereby certify that I, or persons under my 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 by Texaco Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

July 11, 1984
Date



J. A. Schaffer
Asst. District Manager

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