

CAMPBELL & HEDRICK

P. O. BOX 401 220 MID-AMERICA BLDG.
MIDLAND, TEXAS 79701

October 24, 1977

Re: Surface Development Plan
Proposed Campbell & Hedrick
Well No. 2 Elliott Lease
341' PHL & 1823.20' PHL
Section 4, T23S & 35E
Los County, New Mexico

U.S.G.S.
P.O. Box 1157
Hobbs, New Mexico 88240

Gentlemen:

The surface use and operations plan for the proposed Campbell & Hedrick Well No. 2 Elliott lease are as follows:

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of U.S.G.S. topographic map Runice 92, Tex-New Mexico showing the location of the proposed well as stated. From Runice go East on N. Mexico State Hwy No. 176 2.1 miles to N. Mexico State Hwy No. 18. Turn southwest on N. Mexico State Hwy No. 18 for 0.3 miles. Turn south on paved oil field road for 5.4 miles and continue for an additional 0.8 miles on improved caliche road, thence east on dirt road for 1.6 miles. Turn south thru a cattleguard to lease. Well site is approximately 1/8 mile to east.
- B. Exhibit "B" is a plat showing all existing roads within a one mile radius of the well site, and the planned access road.
- C. Portions of the existing lease road from the cattle-guard to near the new road will require some patching and leveling to repair eroded caliche surface. This section of the road is colored brown on Exhibit "B". Repairs will consist of replacing eroded caliche surface, 6 inches deep and 12 feet wide, watered and compacted.

2. PLANNED ACCESS ROADS:

- A. Length and Width: New road required will be 12 feet wide and 750 feet long. This new road is labeled

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and color coded red on Exhibit "B". The center line of the proposed new road from the beginning to the well-site, has been staked with the stakes being visible from any one to the next.

- B. SURFACING MATERIAL: Six inches of caliche, water, compacted, and graded.
 - C. Maximum Grade: 3 percent.
 - D. TURNOUTS: No turnouts will be required.
 - E. DRAINAGE DESIGN: New road will have a drop of 6 inches from center line at each end.
 - F. CULVERTS: None required.
 - G. CUTS AND FILLS: None required.
 - H. GATES AND RETICULATIONS: No gates or catchbasins are required.
3. LOCATION OF EXISTING WELLS:
- A. Existing wells within a one-mile radius are shown on Exhibit "B".
4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
- A. Location of the existing tank battery and flow line from well No. 1 are shown on Exhibit "C". There are no water disposal lines or injection lines. The flow line is not buried.
 - B. If the proposed well is completed for production the location of the new flow line to the existing tank battery is shown on Exhibit "C". The line will not be buried. The center line of the proposed new flow line will be just south of the new road and south of well No. 1 to existing flow line right of way.
5. LOCATION AND TYPE OF WATER SUPPLY:
- A. Water for drilling well will be purchased from a supplier and transported by truck to the well site over existing and proposed roads shown in Exhibit "B".
6. SOURCE OF CONSTRUCTION MATERIALS:
- A. Caliche for surfacing the road and the well pad will be obtained from an existing pit in the NE 1/4 Sec. 2, T 23 N., R 37 E. The pit is on land owned by Mr. Sims.
7. METHODS OF HANDLING DISPOSAL:

4. Drill cuttings will be disposed of in the drilling pits.
5. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
6. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
7. Current laws and regulations pertaining to the disposal of human waste will be complied with.
8. 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 trash pit is shown on Exhibit 'D'. (Alternately all trash, junk and other waste material will be contained to prevent scattering and will be removed and deposited in an approved sanitary landfill.)
9. All crash and debris will be burned or removed from the wellsite within 30 days after finishing drilling and/or completion operations.
10. 10. AUXILIARY FACILITIES: None required.
11. 11. WELLSITE LAYOUT:
 - A. Exhibit 'D' shows the relative location and dimensions of the well pad, mud pits, reserve pit, trash pit, and location of major rig components.
12. 12. 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 an aesthetically pleasing condition as possible.
 - B. Any unguarded pits containing fluids will be fenced until they are filled.
 - C. After abandonment of the well, surface restoration will be in accordance with the agreement with the surface owner. Pits will be filled and location will be cleaned. The pit area, well pad, and all unneeded access road will be ripped to promote revegetation. Rehabilitation should be accomplished within 30 days after abandonment.
13. 13. OTHER INFORMATION:

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- A. Topography: Land surface is undulating and gently rolling and hilly. From an elevation of 3550 feet at the wellsite, the land surface slopes gently toward the west at about 60 feet per mile.
- B. Soil is composed of clay loams and silty clay loams and are compacted and fine grained. Soil individuals are intergrades of the type palaeothid subgroup and contain gravel-size caliche inclusions.
- C. Flora and Fauna: "Floristics" - Prosopis juliflora has been a major feature of the local floral overstory in the past and young specimens of this plant are presently reoccurring locally. Forbs include Crotalaria sp., Lespedeza sp., Lespedeza sp., Senecio longilobus, Haploanthus sp., and several unidentified composites. The grasses are represented by Bouteloua sp., Tridens pulchellus, Scleria macrostachya sp., Sporobolus sp., Aristida sp., and Chloris virgata. The cactus Cylindropuntia sp. occurs on a sporadic basis. Wildlife: Wildlife in the area is that typical of semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, doves, quail, and an occasional antelope.
- D. Ponds and Streams: There are no rivers, streams, lakes or ponds in the area.
- E. Residence and Other Structures: The nearest occupied dwelling is a ranch house 14 miles north northwest of the wellsite. The nearest water well is one mile south east of the wellsite.
- F. ARCHAEOLOGICAL, HISTORICAL AND CULTURAL SITES: None observed in the area.
- G. LAND USE: Grazing and hunting in season.
- H. SURFACE OWNERSHIP: Surface is free land owned by "S" and "V" partnership. All surface damages will be settled with Mrs. Tom Farnen before construction begins.

(See 10/11/78 letter.)

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12. OPERATORS REPRESENTATIVE:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are as follows:

Mervin Overton
P.O. Box 18:
Eunice, New Mexico 88121
Home Phone: 505-184-1829

Joe H. Campbell
220 Mid America Bldg.
Midland, Texas 79701
Office Phone: 515-684-4393
Home Phone: 515-684-4028

13. CERTIFICATION:

I hereby certify that I, or persons under my direct 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 Campbell & Hedrick and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date _____

O.F. Hedrick - Partner