

SURFACE USE AND OPERATIONS PLAN
FOR
TEXACO EXPLORATION AND PRODUCTION, INC.

E. E. BLINEBRY "A" FEDERAL COM NCT-1 No. 5
1140' FSL & 1584' FWL SECTION 31,
TWP. 23 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

LOCATED: 10.5 miles Northwesterly of Jal, New Mexico

FEDERAL LEASE NUMBER: LC-032545B; Com No. SW-135

LEASE ISSUED: January 1, 1960; Com December 17, 1963

ACRES IN LEASE: 355.96

RECORD LESSEE: TEXACO EXPLORATION AND PRODUCTION, Inc.

SURFACE OWNERSHIP: Deep Wells Ranch
Pres. Kelly Myers
Star Route 1, Box 244
Jal, New Mexico 88252

POOL: Jalmat Gas Pool

POOL RULES: Field Rules are for no wells to be located closer than 330' to any quarter-quarter section, to be 990' from the lease line, and 330' from the nearest well.

EXHIBITS: A. Access Road and Facilities Map

B. Drilling Rig Layout Diagram

C. Well Location and Acreage Dedication Plat

1. EXISTING ACCESS ROADS

A. Exhibit "A" is an enlarged portion of a 7.5 minute U.S.G.S. topographic map showing the proposed well site and the existing roads in the area. Point "A" is the junction of County Road C-8 with State Highway 18 which is approximately ten miles North of Jal, New Mexico. From Point "A" along County Road C-8 go Northwesterly 0.30 miles, Westerly 0.35 miles, Northerly 0.35 miles, and Northwesterly 0.40 miles to Point "B" which is at the junction of County Road C-8 with an existing resource road. From Point "B" go Southerly 0.25 miles to the Point "C", the beginning of the proposed resource road as shown on Exhibits "A" and "B".

2. PLANNED RESOURCE ROAD

A. Length and Width: From Point "C", go Southwesterly approximately 200 feet, then Southerly 270 feet, and East approximately 100 feet to the Southwest corner of the proposed well pad as shown on Exhibits "A" and "B".

B. Surfacing Material: Caliche material will be used to surface the proposed road. It will be watered, compacted, and graded.

C. Maximum Grade: Not applicable.

D. Turnouts: Turnouts will not be required.

E. Drainage Design: The new road will be crowned at the center to direct drainage to ditches on both sides of the roadway.

F. Culverts: None required.

G. Cuts and Fills: None required.

H. Gates and Cattle Guards: None will be required.

3. LOCATION OF EXISTING WELLS

A. Existing wells on the lease and in the immediate area are shown on Exhibit "A".

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

A. The oil, gas, and/or water that this well produces will be stored in a tank battery to be built on the proposed well pad as shown on Exhibits "A" and "B".

B. An electric power line will be built to service this well as shown in orange on Exhibit "A". It will be a 12,470 phase to phase, 7200 volts to ground three phase. It will be an operator owned powerline.

5. LOCATION AND TYPE OF WATER SUPPLY

A. It is not contemplated that a water well would be drilled. Water necessary for drilling operations will be purchased and trucked or will be transported to the well site by a temporary pipeline laid on the ground along the side of the existing resource roads.

6. SOURCE OF CONSTRUCTION MATERIALS

A. Caliche needed for the well pad will be taken from the proposed borrow pit located with the 400 x 400' archaeologically cleared tract at the proposed well site as shown on Exhibit "B". If sufficient quality or quantity of caliche is not available, it will be transported to the proposed road and well site from the existing pit in the SE/4 of the NE/4 of Section 31, T-23-S, R-37-E, by Lea County Road C-8 and the existing resource roads.

7. METHOD 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 at commercial or company facilities.

D. Oil produced during tests will be stored in test tanks until sold.

E. Trash, waste paper, garbage and junk will be placed in a trash bin located on the drill site pad. It will be transported to an approved landfill for disposal within 30 days after completion of drilling and/or completion of operations. All waste material will be contained to prevent scattering by the wind.

8. ANCILLARY FACILITIES

A. None required.

9. WELL SITE LAYOUT

A. Exhibit "B" shows the relative location and dimensions of the well pad, reserve pit, borrow pit, mud pits, and the location of the major rig components.

B. Cut and Fill requirements will be only moderate, but clearing and leveling of the well site will be necessary.

10. PLANS FOR RECLAMATION OF THE SURFACE

A. After completion of drilling and/or completion of 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 the pits are dry.

C. After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special reclamation and/or special revegetation requirements of the Surface Management Agency will be complied with and will be accomplished as rapidly as possible.

11. OTHER INFORMATION

A. Topography: The land surface in the area of the well is relatively level with some small sand dunes. Regionally, the land slopes to the South with average slope of one percent.

B. Soil: Top soil at the well site is a moderate to deep sandy loam.

C. Flora and Fauna: The vegetation cover is moderate. It includes range grasses, weeds, scrub oak bushes, and mesquite bushes. Wildlife in the area is that typical of a semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, hawks, dove, quail and other small birds.

D. Ponds and Streams: There are no rivers, lakes, ponds, or streams in the area.

E. Residences and Other Structures: There are no occupied dwellings or other structures within 3/4 mile of the well site.

F. Archaeological, Historical, or other Cultural Sites: None were observed in the area.

G. Land Use: Grazing, oil and gas production, and wildlife habitat.

H. Surface Ownership: Private

12. OPERATOR'S REPRESENTATIVE

C. Wade Howard
Engineer's Assistant
Texaco Exploration and Production, Inc.
P. O. Box 3109
Midland, Texas 79702
Office Phone: (915) 688-4606

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 the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Texaco Exploration and Production, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

Date

9/24/96

C. Wade Howard

Engineer's Assistant
Midland, Texas

Enclosures
jsp