

Proposed Development Plan for Surface Use

Amoco Production Company's Myers "A" Federal Well No. 7, Unit I, 1,980' FSL and 660' FEL, Section 22, T-24-S, R-37-E, Lea County, New Mexico - (Development Well).

1. Existing roads including location of exit from main highway.
Detailed map showing drillsite location in relation to the nearest town and all existing roads within one mile of the wellsite are shown on Exhibit A. From Jal, go north on Highway 18 six miles to Jal Cooper Cemetery turnoff. Turn east on caliche road and go 2-3/4 miles. Turn south on lease road and go 3/5 of a mile. Turn east and go 1,200' to location. See Exhibit B.
2. Planned access roads.
From the existing caliche road, the new road will go south to the northeast corner of the drilling pad. The road will be 100' long and 12' wide. See Exhibit B.
3. Location of existing wells.
All existing wells within one mile radius are shown on Exhibit C.
4. Location of tank batteries and flow lines.
If the well is commercially productive, the production facilities will be located on the northeast end of the drilling pad. See Exhibit D.
5. Location and type of water supply.
Fresh water will be hauled from a water well one mile south of location. Brine water will be hauled from Eunice, New Mexico.
6. Source of construction materials.
Caliche will be obtained from an existing pit located approximately 3/4 of a mile southeast of location.
7. WASTE DISPOSAL -
 - a. Drill cuttings will be disposed of in the reserve pit.
 - b. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.

- c. Trash, waste paper, garbage and junk will be burned or buried with a minimum of 24" cover. Waste material will be contained to prevent scattering by wind prior to ultimate disposal.
- d. Any produced water will be contained in tanks and be disposed of in an approved manner. Oil produced will be stored in tanks until sold, at which time it will be hauled from location.
- e. Current laws and regulations pertaining to disposal of human waste will be complied with.
- f. If productive, maintenance waste will be placed in special containers and buried or hauled away periodically.

8. ANCILLARY FACILITIES -

No camps, airstrips, etc., will be constructed.

9. WELLSITE LAYOUT -

- a. Size of Drilling Pad - 220' x 150' x 6"
- b. Compacted - Caliche
- c. Surfaced - No.
- d. 300' square area around wellsite has been cleared by archeologist.
- e. See Exhibit D.

10. RESTORATION OF SURFACE -

Producing Well - all pits will be cut, filled, and levelled as soon as practical to original condition with rehabilitation to commence following removal of drilling and completion equipment. Rehabilitation to be completed in 180 days if possible.

Dry Hole - same as above with dry hole marker to be installed and surface reseeded if required.

11. OTHER INFORMATION -

- a. Terrain - relatively flat.
- b. Soil - hard and rocky.
- c. Vegetation - sparse - catclaw and greasewood and mesquite.
- d. Surface Use - grazing.
- e. Ponds and Streams - None.
- f. Water Wells - None.
- g. Residences and Buildings - None.
- h. Arroyos, Canyons, etc. - None.
- i. Well Sign - posted at drillsite.
- j. Open Pits - all pits containing liquid or mud will be fenced.
- k. Archaeological Resources - Drillsite, which is in nearly flat, semi-arid, desert country, is in a low environmental risk area. The total effect of drilling and producing in this area would be minimal. No known archaeological, historical, or cultural sites exist in the drill or road areas.

12. OPERATOR'S REPRESENTATIVE -

Field personnel responsible for compliance with development plan for surface use is:

J. H. Hankins, Drilling Superintendent
P. O. Drawer A
Levelland, Texas 79336
Office Phone: 806-894-3163

LEASE & WELL NUMBER Myers "A" Federal Well No. 7

LOCATION Unit I, 1,980' FSL X 660' FEL, Sec. 22, T-24-S, R-37-E, Lea County

Certification: The following statement is to be incorporated in the plan and must be signed by the lessee's or operator's field representative who is identified in Item No. 12 of the plan.

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 AMOCO PRODUCTION COMPANY and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10/27/77
DATE

J. L. Hawkins Sr. Drlg. Foreman
NAME AND TITLE