

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
SANTA FE ENERGY COMPANY
N. H. 5 Federal No. 2
3456' FNL, 660' FEL
Section 5, T-16S, R-34E
Lea County, New Mexico

This plan is submitted with Form 3160-C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed by rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS.

- A. Exhibit E is a topographic map of a scale of approximately one inch to the mile which shows location of the proposed wellsite and roads in the vicinity. The proposed location is situated approximately 22 miles west of Lovington, New Mexico.

DIRECTIONS:

1. Proceed West on Highway 82 from Lovington, New Mexico for 14 miles.
2. Turn right (north) onto oilfield road and continue for 2.5 miles.
3. Turn right into location.

2. PLANNED ACCESS ROAD.

A 14' wide access road will extend from an existing well in Section 5 into the well site in Section 5.

3. LOCATION OF EXISTING WELLS.

- A. The well locations in the vicinity of the proposed well are shown in Exhibit F.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There is one producing well on this lease at this time.
- B. In the event the well is productive, the necessary production equipment will be installed on the drilling pad. If the well is productive of oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the well with both fresh water and brine water systems. The brine water will be hauled to the location by truck over existing roads. The fresh water will be pumped from a nearby waterwell.

6. SOURCES OF CONSTRUCTION MATERIALS.

- A. Any caliche required for construction of the drilling pad will be obtained from a pit located off of the wellsite. The pit is located in Section 9, T-16S, R-34E and is privately owned.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be either placed in the reserve pits and allowed to evaporate or collected in tanks until hauled to an approved disposal system or a separate disposal application will be submitted to the USGS for appropriate approval.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Human waste will be buried.
- F. Trash, waste paper, garbage, and junk will be buried in a separate trash pit and covered with a minimum of 24" of dirt. All waste material will be contained to prevent scattering by the wind.
- G. 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.

None required.

9. WELLSITE LAYOUT.

- A. Exhibit G. shows the dimensions of the well pad and reserve pits, and the location of major rig components.
- B. The ground surface of the location is sloping down toward the south-east. Cutting will be required to level the pad area, which will be covered with at least six inches of compacted caliche.

- C. The reserve pits will be plastic lined.
 - D. A 400' X 400' work area which will contain the pad and pit area has been staked and flagged.
10. PLAN FOR RESTORATION OF THE SURFACE.
- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleared of all trash and junk, to leave the wellsite in as aesthetically pleasing a condition as possible.
 - B. Unguarded pits, if any, containing fluids will be fenced until they have been filled.
11. TOPOGRAPHY.
- A. The vegetation cover at the wellsite is moderately sparse, with prairie grasses, some yucca, and miscellaneous weeds.
 - B. No wildlife was observed but it is likely that rabbits, lizards, insects, and rodents traverse the area.
 - C. There are no ponds, lakes, streams, or rivers within one mile of the wellsite.
 - D. The wellsite is located on private surface.
 - E. There is no evidence of any archaeological, histroical, or cultural sites in the vicinity of the location.
12. OPERATOR'S REPRESENTATIVES.
- A. The field representative responsible for assuring compliance with the approved surface use plan are:
 - Hugh Boyt
District Production Manager
Santa Fe Energy Company
500 West Illinois
Midland, Texas 79701
915/687-3551 - office
915/697-4768 - home
 - Michael R. Burton
Senior Drilling Engineer
Santa Fe Energy Company
500 West Illinois
Midland, Texas 79701
915/687-3551 - office
915/699-1260 - home
806/373-1911 - mobile

RECEIVED

MPR 12 1987

OCD

HOBBS OFFICE

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 Santa Fe Energy Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3/4/87
Date

Michael R. Burton
Michael R. Burton