

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires October 31, 2014

ATS-13-1050

RECEIVED

NOV 13 2013

5. Lease Serial No.
NMLC064756

6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work ☒ DRILL ☐ REENTER1b. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator

EOG Resources, Inc.

3a. Address

P.O. Box 2267 Midland, TX 79702

3b. Phone No. (include area code)

432-686-3689

4. Location of Well (Report location clearly and in accordance with any State requirements)*

At surface 1810' FNL & 820' FWL, SWNW (E)

At proposed prod. zone 1806' FNL & 710' FWL, SWNW (E)

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.

Ramblin Rose 14 Fed 1 <462247>

9. API Well No.

30-015-41796

10. Field and Pool or Exploratory

Undesignated, Bone Spring, West

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 14, 26S, 31E <97860>

14. Distance in miles and direction from nearest town or post office*

Approximately +/- 33 miles Southwest from Jal, NM

12. County or Parish

Eddy

13. State

NM

15. Distance from proposed*

location to nearest

property or lease line, ft.

(Also to nearest drg. unit line, if any)

710'

16. No. of Acres in lease

.2560

17. Spacing Unit dedicated to this well

40 acres

18. Distance from proposed location*

to nearest well, drilling, completed,

applied for, on this lease, ft.

10592 SE RT Wilson 3

19. Proposed Depth

10701' MD

10700' TVD

20. BLM/BIA Bond No. on file

NM 2308 1 NMB000629

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

3202' GL

22. Approximate date work will start*

1/1/2014

23. Estimated duration

20 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the BLM

25. Signature

Name (Printed/Typed)

Date

Stan Wagner

7/30/13

Title

Regulatory Analyst

Approved by (Signature)

Name (Printed/Typed)

Date NOV - 8 2013

/S/ STEPHEN J. CAFFEY

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL FOR TWO YEARS

(Continued on page 2)

*(Instructions on page 2)

Approval Subject to General Requirements
& Special Stipulations AttachedSEE ATTACHED FOR
CONDITIONS OF APPROVAL

Carlsbad Controlled Water Basin

OPERATOR CERTIFICATION

I certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions that presently exist; that I have full knowledge of State and Federal Laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true, and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements. Executed this 29th day of July, 2013.

Name: Roger Motley

Position: Sr. Lease Operations ROW Representative

Address: P.O. Box 2267, Midland, TX 79705

Telephone: (432) 686-3642

Email: roger_motley@eogresources.com

Signed _____

Roger Motley

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-	² Pool Code 41796	³ Pool Name Jennings Undesignated; Bone Spring, West
⁴ Property Code 40224	⁵ Property Name RAMBLIN ROSE 14 FED	⁶ Well Number #1
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3202'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	14	26-S	31-E	-	1810'	NORTH	820'	WEST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	14	26-S	31-E	-	1806'	NORTH	710'	WEST	EDDY

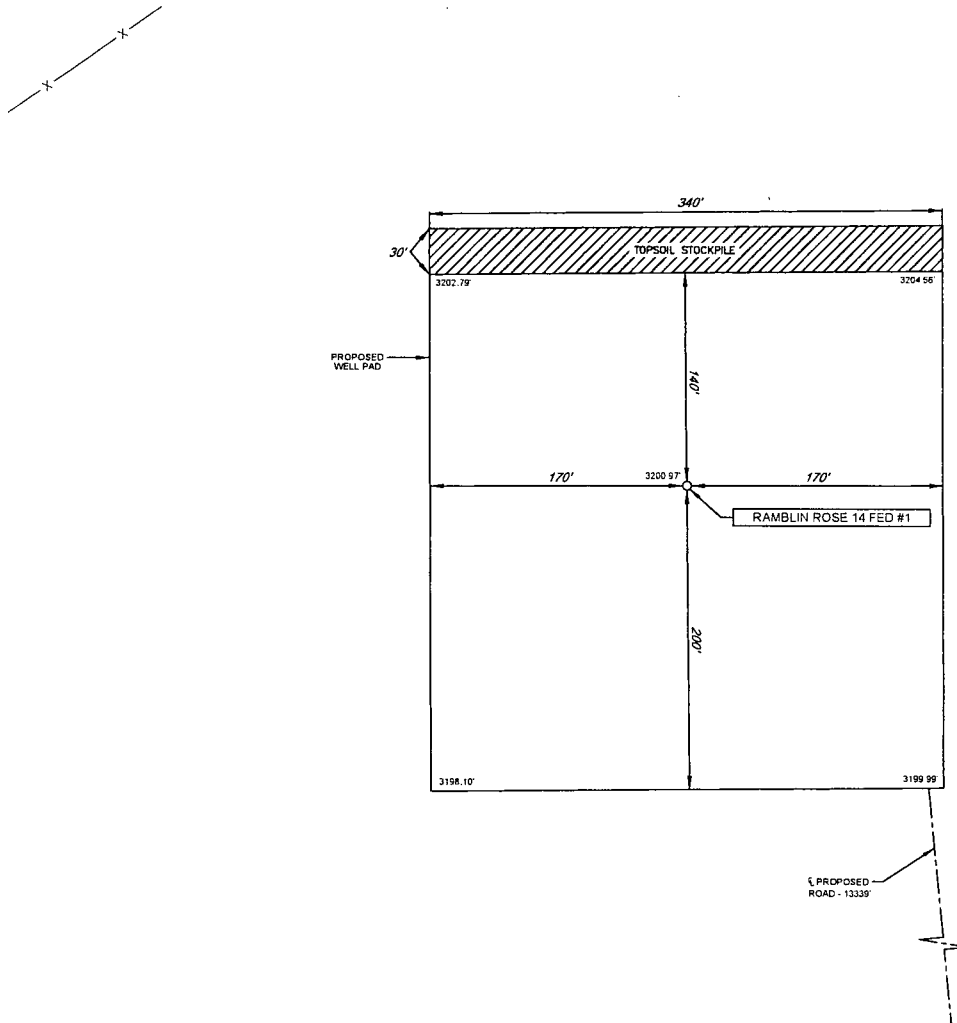
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Stan Wagner</i> 7/15/13 Signature Date</p> <p>Stan Wagner Printed Name</p> <p>E-mail Address</p> <p>¹⁸SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p> <p><i>Michael B. Brown</i> NEW MEXICO 18329 PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p>
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SECTION 14, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

DETAIL VIEW
SCALE: 1" = 100'



LEASE NAME & WELL NO.: RAMBLIN ROSE 14 FED #1
#1 LATITUDE N 32.0450536 #1 LONGITUDE W 103.7543119

LEGEND

- == == == == ROAD WAY
- - - - SECTION LINE
- - - - EXISTING PIPELINE
- X - FENCE LINE

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID
BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE
NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND
UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF
SURVEY, AND DATA PROVIDED BY EOG RESOURCES, INC. THIS CERTIFICATION IS MADE AND LIMITED
TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE.
THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ORIGINAL DOCUMENT SIZE: 8.5" X 14"

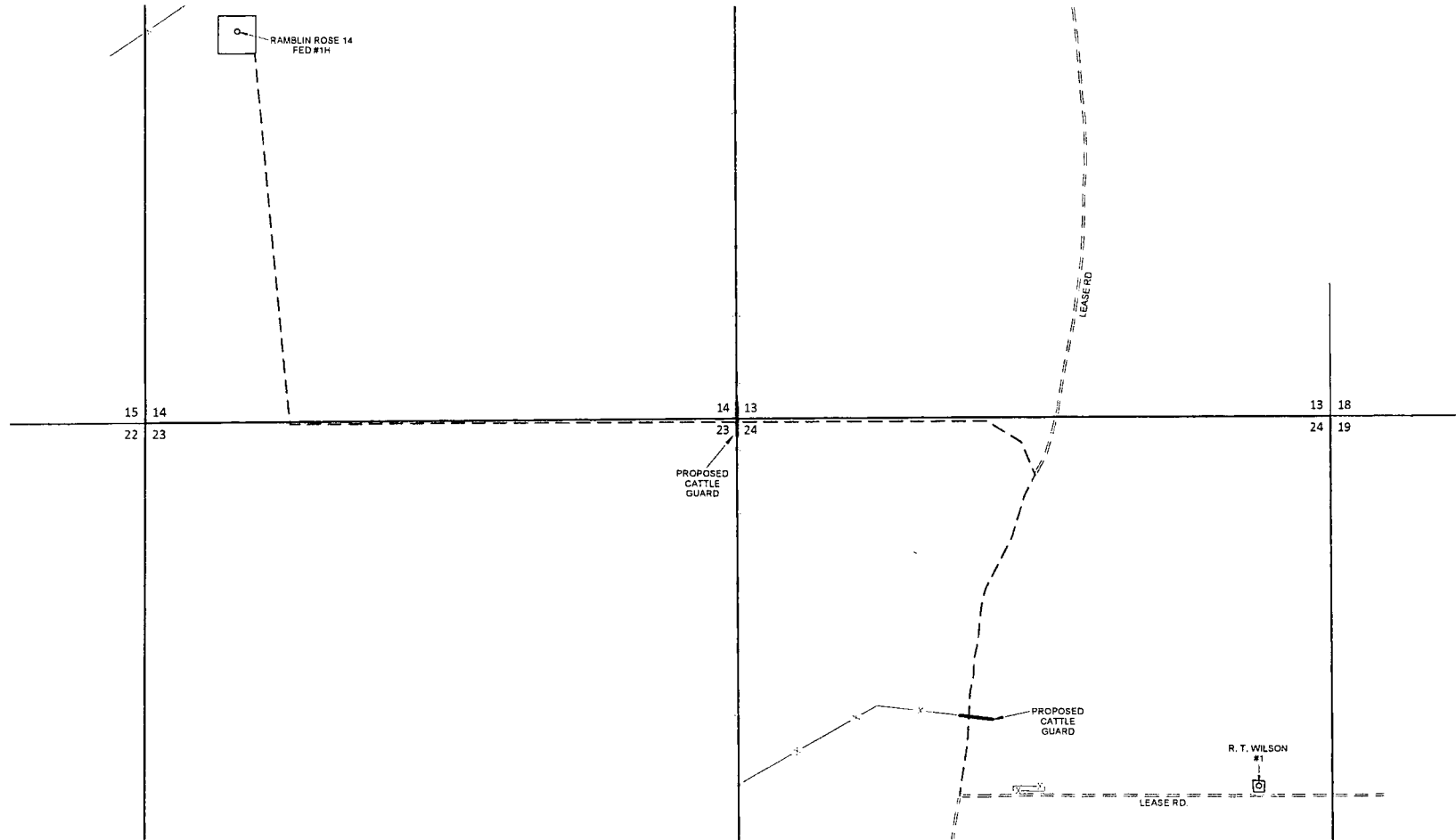
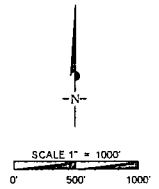


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LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140
TELEPHONE: (817) 744-7512 • FAX (817) 744-7548
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065
TELEPHONE: (806) 665-7218 OR (800) 658-6382 • FAX (806) 665-7210
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SECTIONS 14, 23, 24, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

RAMBLIN ROSE 14 FED ROAD INFRASTRUCTURE MAP



--- PROPOSED ROAD
-TOTAL FOOTAGE 13,339 FT

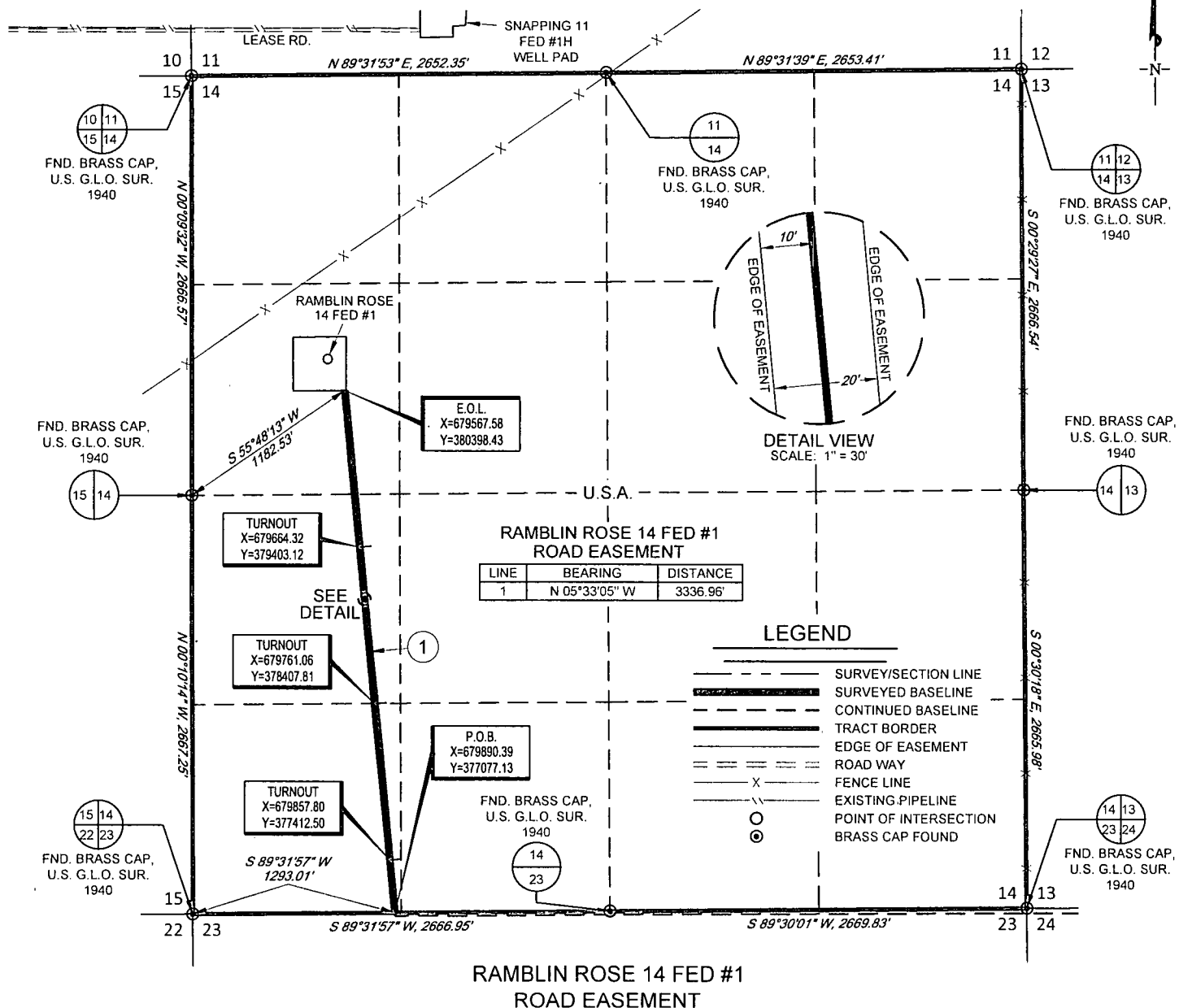


RAMBLIN ROSE 14 FED ROAD INFRASTRUCTURE MAP	REVISION:	
	INT	DATE
DATE: AUGUST 27, 2013		
FILE: X:\RAMBLIN ROSE 14 FED INFRASTRUCTURE MAP		
DRAWN BY: S.V.		
SHEET: 1 OF 1		

SCALE 1" = 1000'

0' 500' 1000'

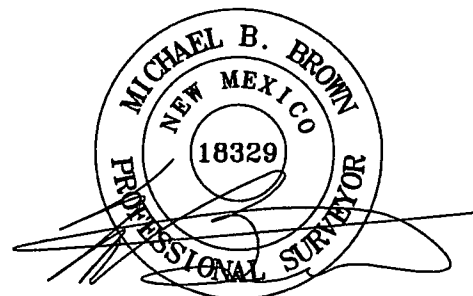
SECTION 14, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



RAMBLIN ROSE 14 FED #1
ROAD EASEMENT

Being a proposed road easement being 20 feet in width, 10 feet left, and 10 feet right of the above platted centerline total line footage containing 3336.96 feet or 202.24 rods, containing 1.53 acres more or less and being allocated by forties as follows.

SW/4 NW/4 - 659.16 feet or 39.95 rods containing 0.30 acres
NW/4 SW/4 - 1338.90 feet or 81.15 rods containing 0.61 acres
SW/4 SW/4 - 1338.90 feet or 81.15 rods containing 0.61 acres



Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013

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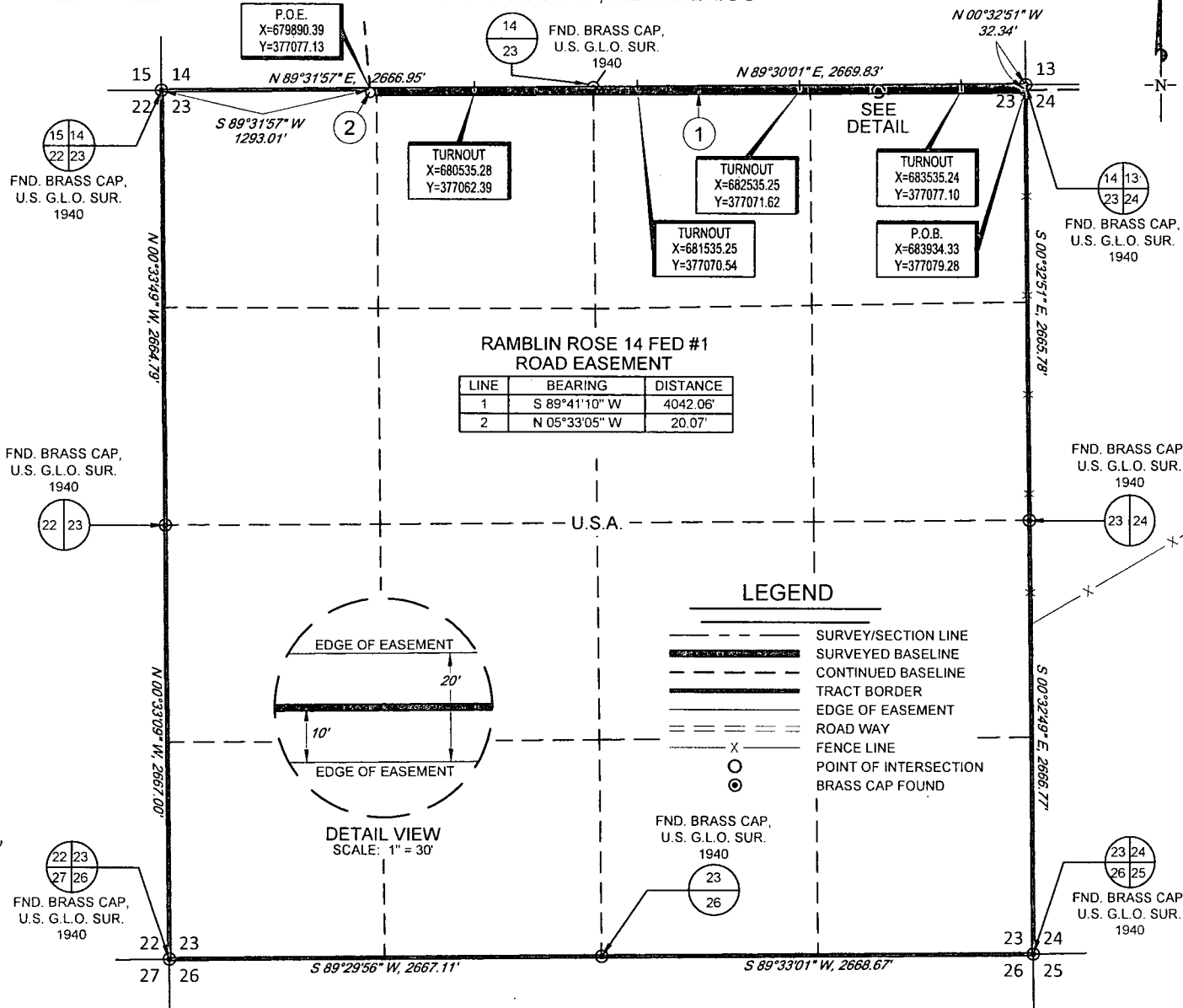
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ORIGINAL DOCUMENT SIZE: 8.5" X 11"

RAMBLIN ROSE 14 FED #1 ROAD EASEMENT	REVISION:	
	S.V.	8/16/2013
DATE: JUNE 28, 2013	S.V.	8/19/2013
FILE: EP_RAMBLINROSE14FED_1_ROAD_SEC_14_REV3	S.V.	8/21/2013
DRAWN BY: S.V.		
SHEET: 1 OF 1		

SCALE 1" = 1000'

SECTION 23, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

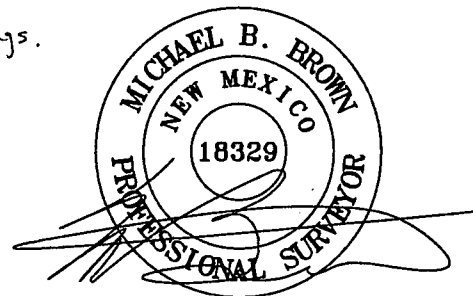


RAMBLIN ROSE 14 FED #1 ROAD EASEMENT

Being a proposed road easement being 20 feet in width, 10 feet left, and 10 feet right of the above platted centerline total line footage containing 4062.13 feet or 246.19 rods, containing 1.87 acres more or less and being allocated by forties as follows.

NW/4 NW/4 - 58.80 feet or 3.56 rods containing 0.03 acres
NE/4 NW/4 - 1333.49 feet or 80.82 rods containing 0.61 acres
NW/4 NE/4 - 1334.92 feet or 80.90 rods containing 0.61 acres
NE/4 NE/4 - 1334.92 feet or 80.90 rods containing 0.61 acres

*Cattleguard will be installed at fence crossings.
TN 8/23/13*



Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013



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	S.V.	8/16/2013
	S.V.	8/19/2013
	S.V.	8/21/2013
DATE: JUNE 28, 2013		
FILE: EP_RAMBLINROSE14FED_1_ROAD_SEC_23_REV3		
DRAWN BY: S.V.		
SHEET: 1 OF 1		

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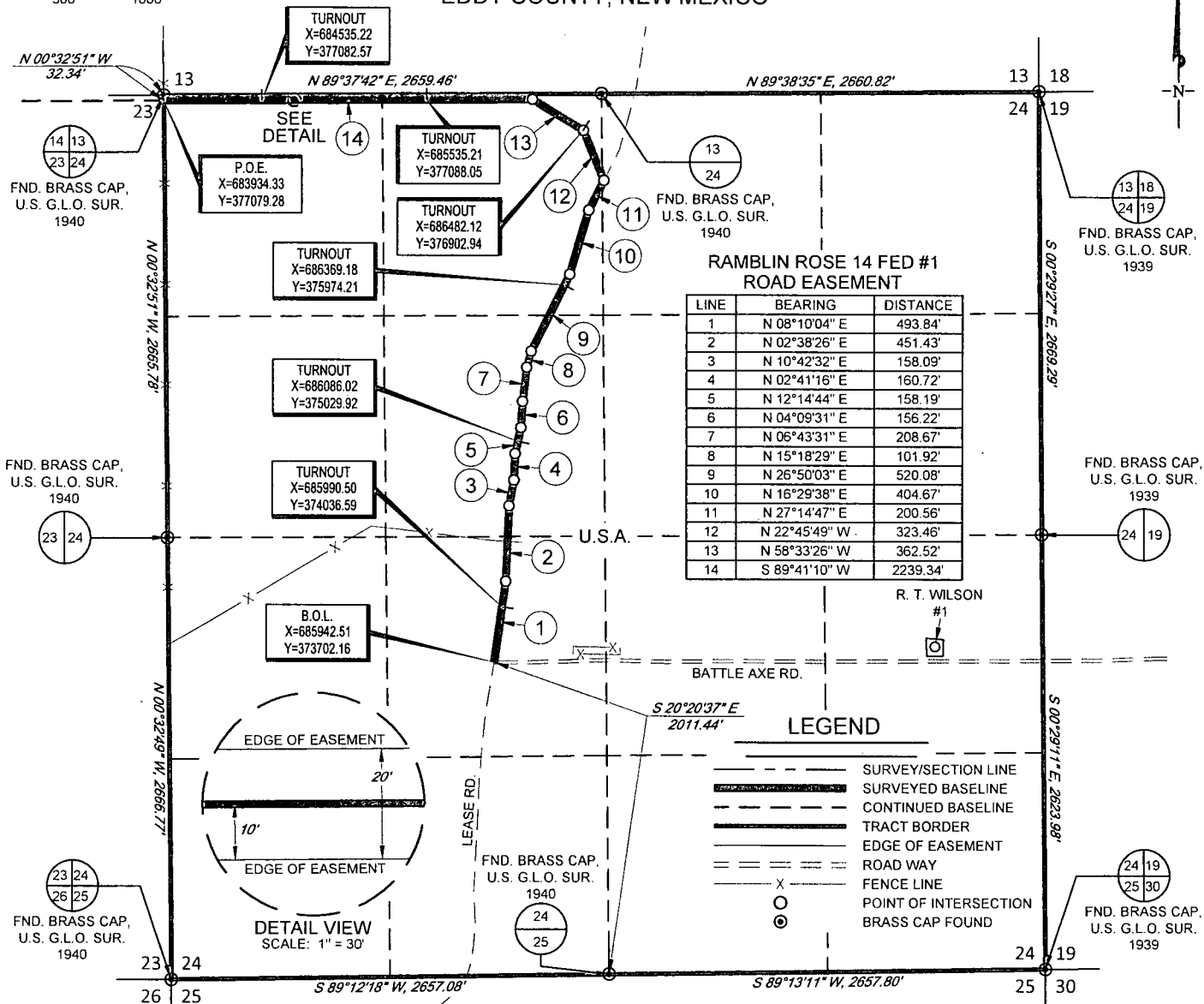
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ORIGINAL DOCUMENT SIZE: 8.5" X 11"

SCALE 1" = 1000'

0' 500' 1000'

SECTION 24, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



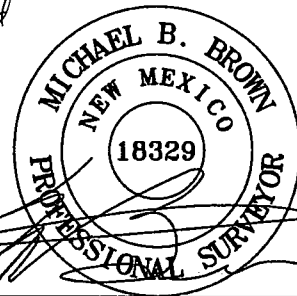
RAMBLIN ROSE 14 FED #1
ROAD EASEMENT

Being a proposed road easement being 20 feet in width, 10 feet left, and 10 feet right of the above platted centerline total line footage containing 5939.71 feet or 359.98 rods, containing 2.73 acres more or less and being allocated by forties as follows.

NW/4 SW/4 - 760.87 feet or 46.11 rods containing 0.35 acres
SE/4 NW/4 - 1373.90 feet or 83.27 rods containing 0.63 acres
NE/4 NW/4 - 2427.89 feet or 147.15 rods containing 1.11 acres
NW/4 NE/4 - 47.33 feet or 2.87 rods containing 0.02 acres
NW/4 NW/4 - 1329.72 feet or 80.59 rods containing 0.61 acres

Cattleguard will be installed
at fence crossings.
TN 8/23/13

Geog resources, inc.



Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013



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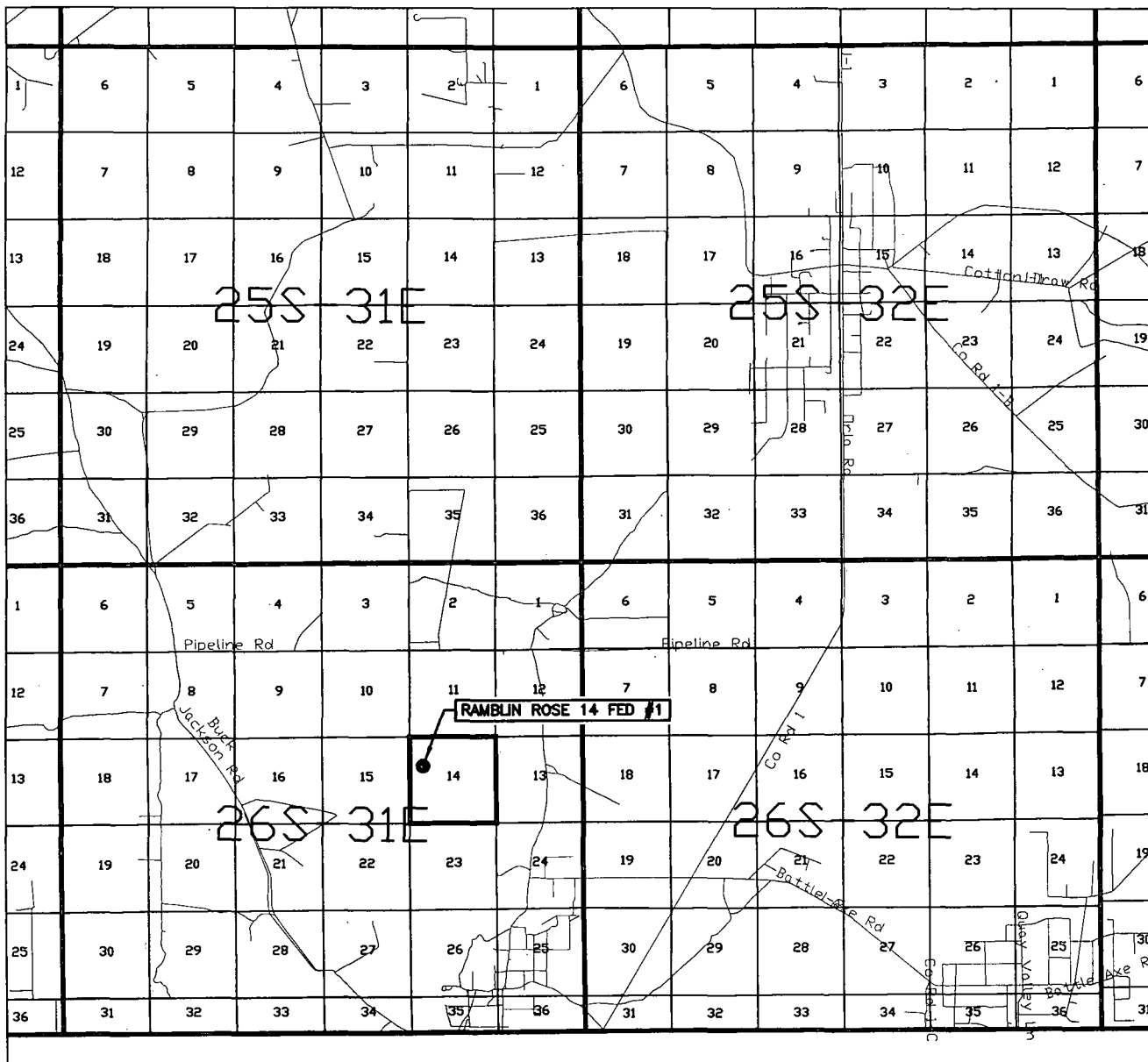
RAMBLIN ROSE 14 FED #1 ROAD EASEMENT	REVISION:	
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FILE: EP_RAMBLINROSE14FED_1_ROAD_SEC_24_REV3	S.V.	8/21/2013
DRAWN BY: S.V.		
SHEET: 1 OF 1		

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ORIGINAL DOCUMENT SIZE: 8.5" X 11"

VICINITY MAP



LEASE NAME & WELL NO.: RAMBLIN ROSE 14 FED #1

SECTION 14 TWP 26-S RGE 31-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM
 DESCRIPTION 1810' FNL & 820' FWL

DISTANCE & DIRECTION FROM INT. OF US-285 & CR. 720,
GO SOUTH ON US-285 ±12.6 MILES, THENCE NORTHEAST (LEFT)
ON WHITEHORN RD. ±4.1 MILES, THENCE EAST (RIGHT) ON
PIPELINE RD. ±13.8 MILES, THENCE SOUTH (RIGHT) ±1.4 MILES
ON LEASE RD. TO A POINT ±XXX FEET WEST OF THE LOCATION.

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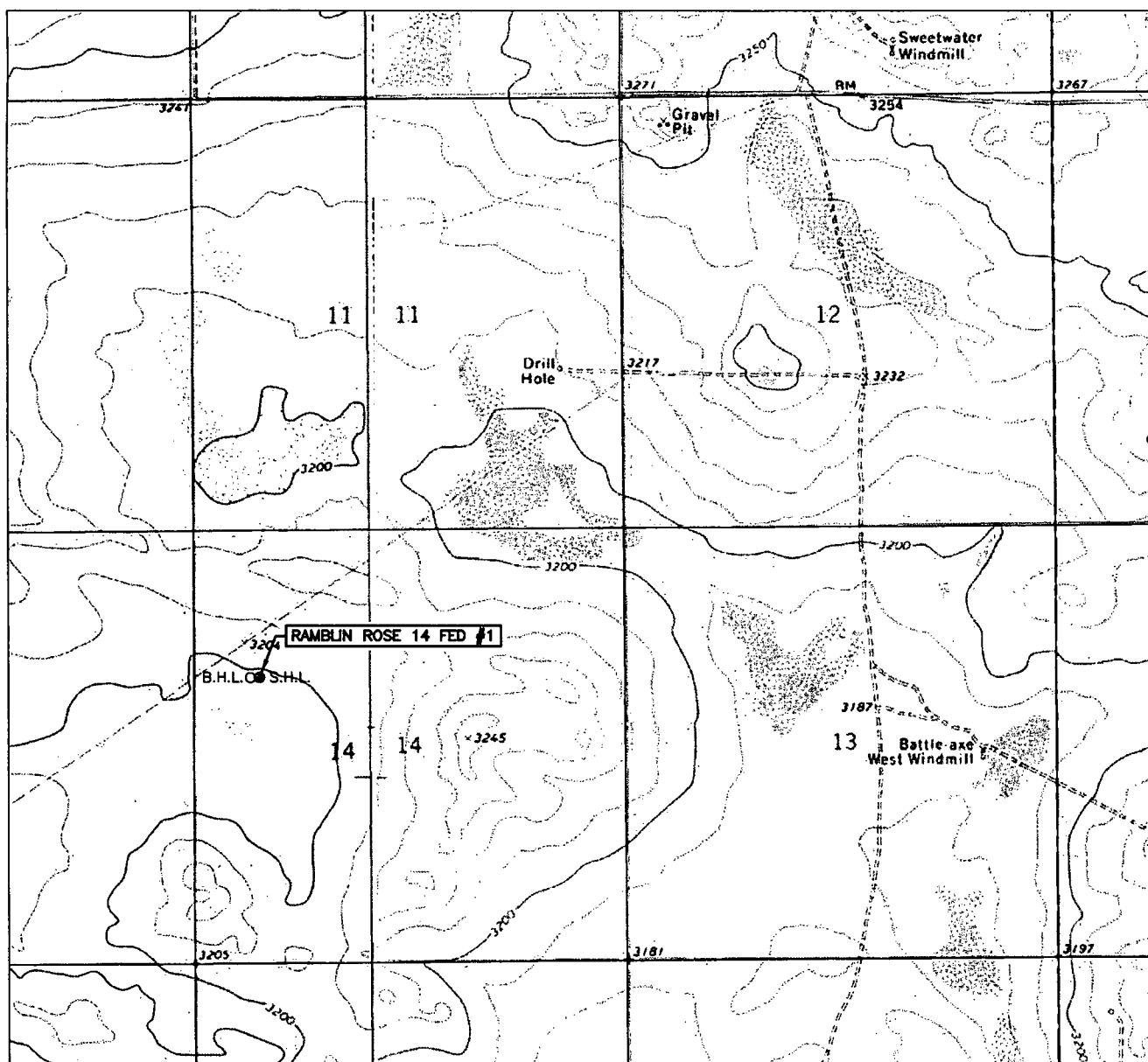
SCALE: 1" = 10000'
 0' 5000' 10000'

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SURVEYING • MAPPING • GIS • GPS

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 2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065
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LOCATION & ELEVATION VERIFICATION MAP



LEASE NAME & WELL NO.: RAMBLIN ROSE 14 FED #1

SECTION 14 TWP 26-S RGE 31-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM ELEVATION 3202'
 DESCRIPTION 1810' FNL & 820' FWL

LATITUDE N 32.0450536 LONGITUDE W 103.7543119



SCALE: 1" = 2000'
 0' 1000' 2000'

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SURVEYING • MAPPING • GIS • GPS

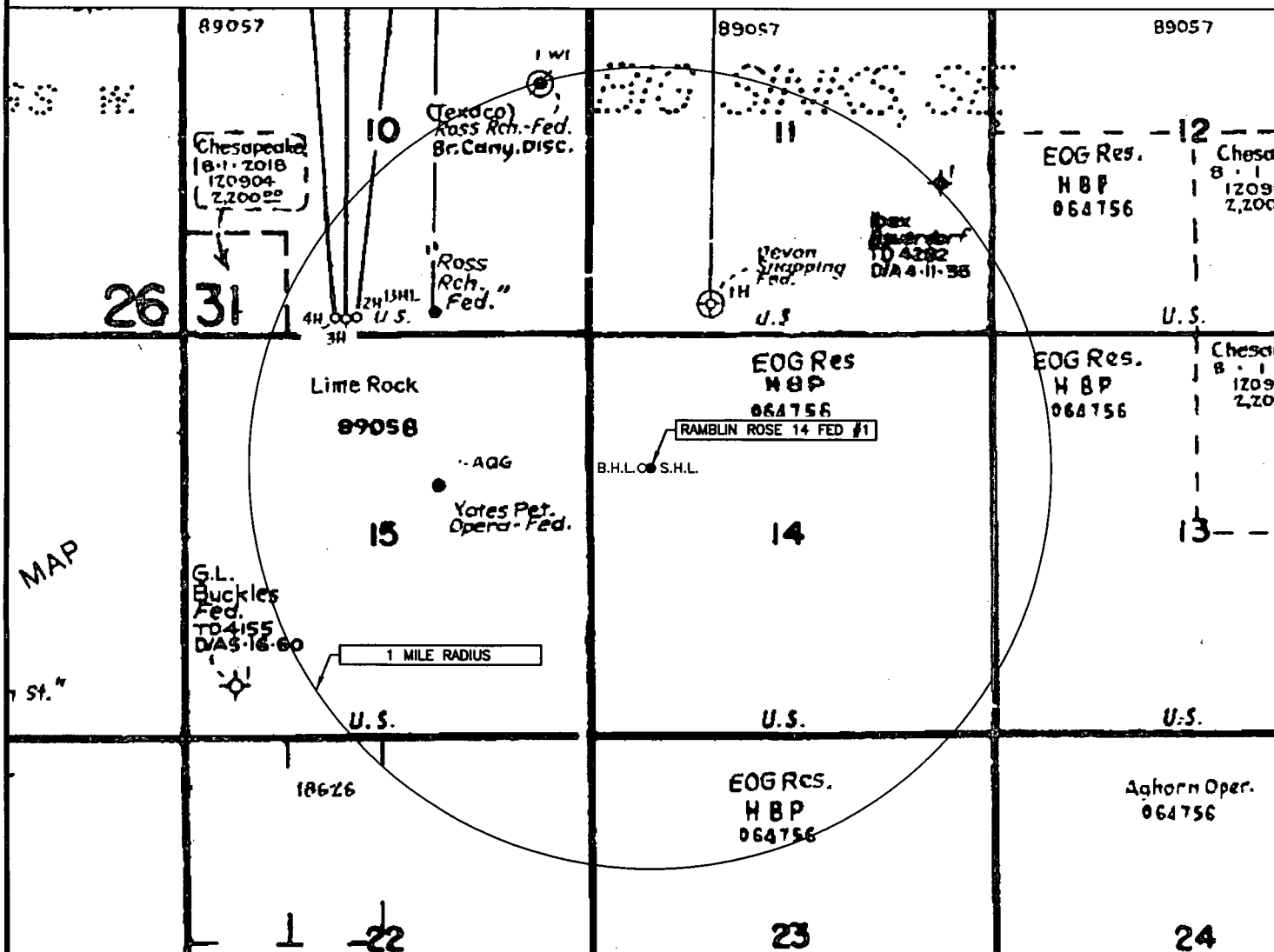
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EXHIBIT 3

EOG resources, inc.SECTION 14, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

LEASE NAME & WELL NO.: RAMBLIN ROSE 14 FED #1
 #1 LATITUDE N 32.0450536 #1 LONGITUDE W 103.7543119

LEGEND

== == == == == ROAD WAY
 --- --- --- --- --- SECTION LINE
 --- --- --- --- --- EXISTING PIPELINE
 --- X --- FENCE LINE

SCALE: 1" = 100'
 0' 50' 100'

TOPOGRAPHIC
 SURVEYING • MAPPING • GIS • GPS

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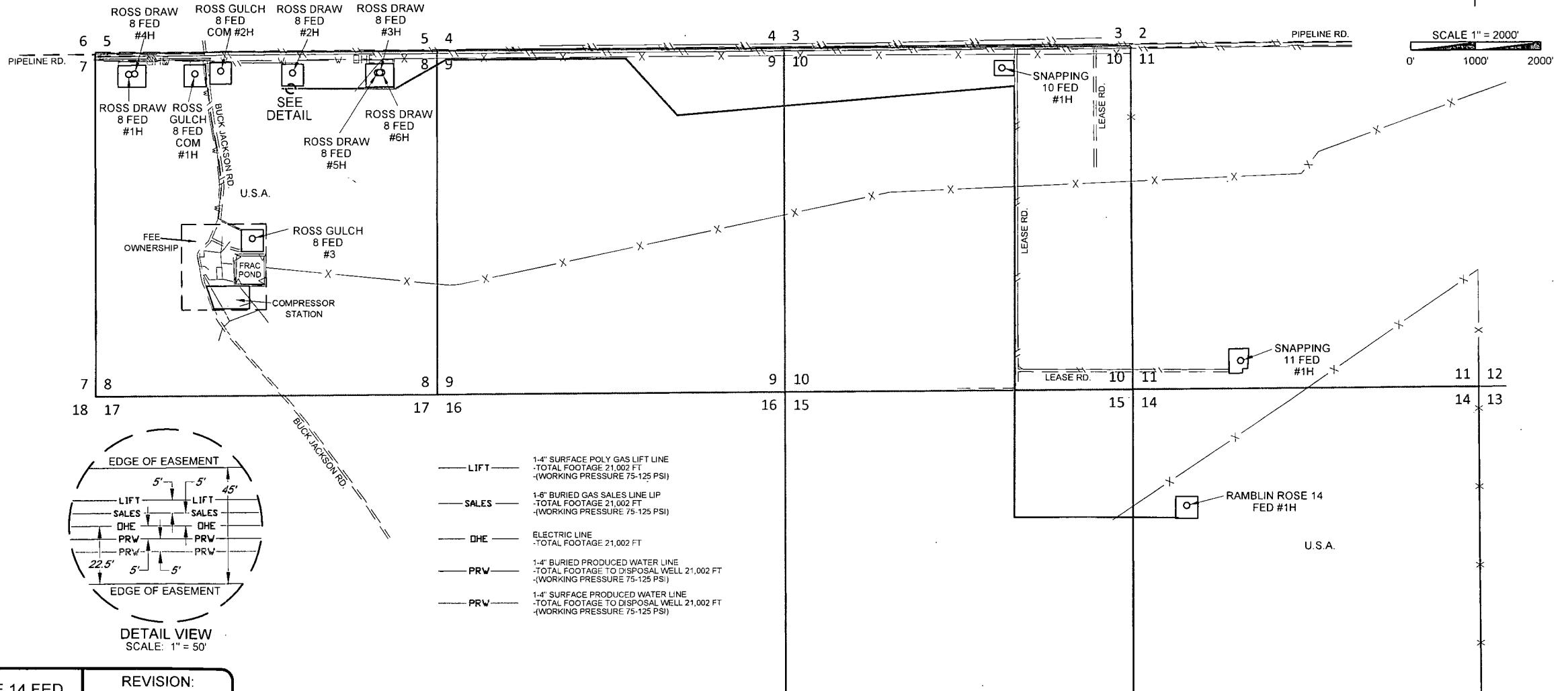
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Exhibit 5

SECTIONS 8, 9, 10, 14, 15, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO

RAMBLIN ROSE 14 FED INFRASTRUCTURE EASEMENT



RAMBLIN ROSE 14 FED
INFRASTRUCTURE
EASEMENT

REVISION:

S.V. 8/29/2013

DATE: AUGUST 28, 2013

FILE: SK_RAMBLINROSE14FED_INFRASTRUCTURE_EASEMENT_REV1

DRAWN BY: S.V.

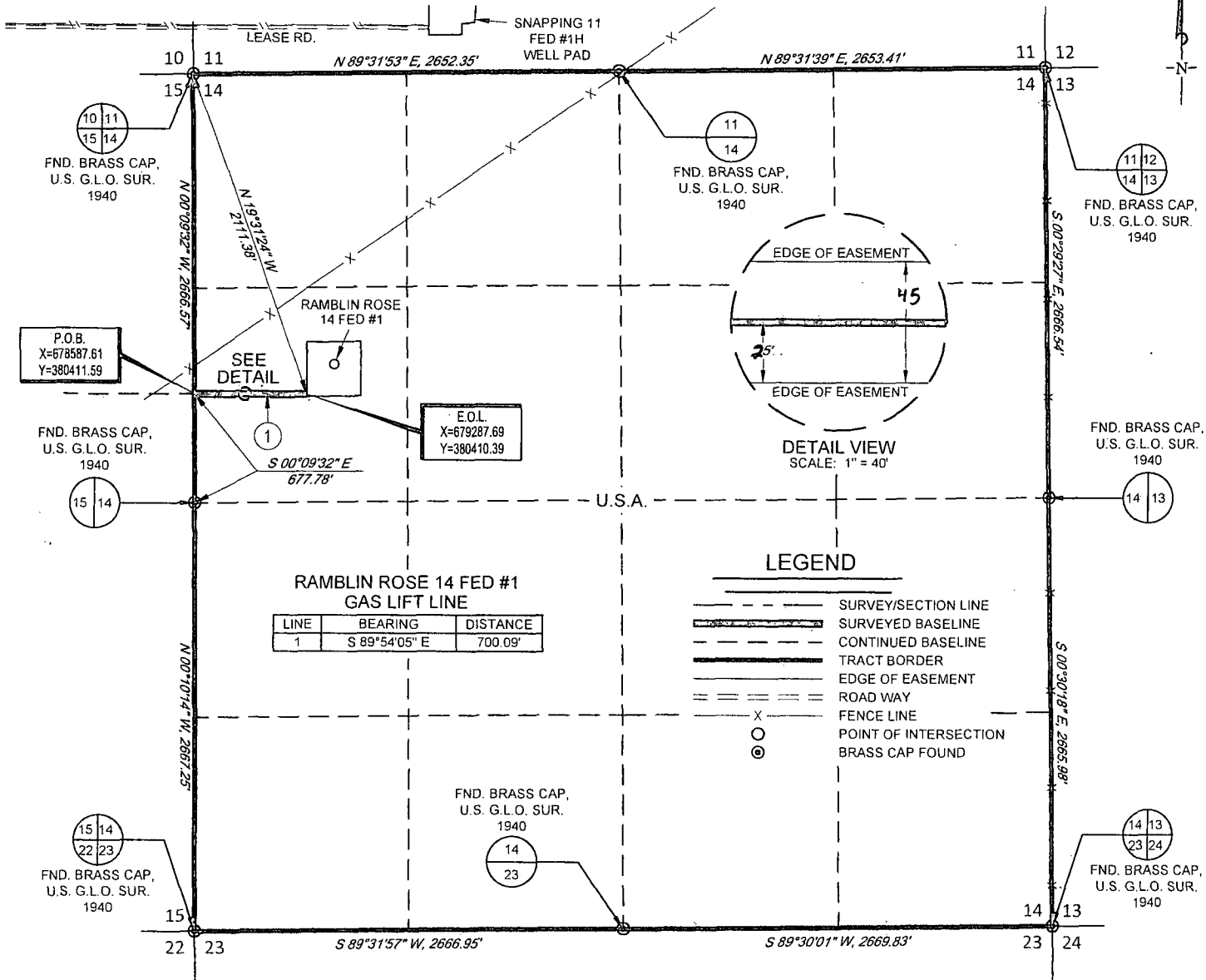
SHEET: 1 OF 1



SCALE 1" = 1000'

0' 500' 1000'

SECTION 14, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



RAMBLIN ROSE 14 FED #1
GAS LIFT LINE

LINE	BEARING	DISTANCE
1	S 89°54'05" E	700.09'

LEGEND

- SURVEY/SECTION LINE
- SURVEYED BASELINE
- CONTINUED BASELINE
- TRACT BORDER
- EDGE OF EASEMENT
- ROAD WAY
- FENCE LINE
- POINT OF INTERSECTION
- BRASS CAP FOUND

RAMBLIN ROSE 14 FED #1
Infrastructure EASEMENT

Being a proposed line easement being 45 feet in width, 20 feet left, and 25 feet right of the above platted centerline total line footage containing 700.09 feet or 42.43 rods, containing 0.48 acres more or less and being allocated by forties as follows.

SW1/4 NW1/4 - 700.09 feet or 42.43 rods containing 0.48 acres



RAMBLIN ROSE 14 FED #1 GAS LIFT LINE EASEMENT	REVISION:	
	INT	DATE
DATE: AUGUST 21, 2013		
FILE: EP_RAMBLINROSE14FED_1 LINE_SEC_14		
DRAWN BY: S.V.		
SHEET: 1 OF 1		

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET

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ORIGINAL DOCUMENT SIZE: 8.5" X 11"

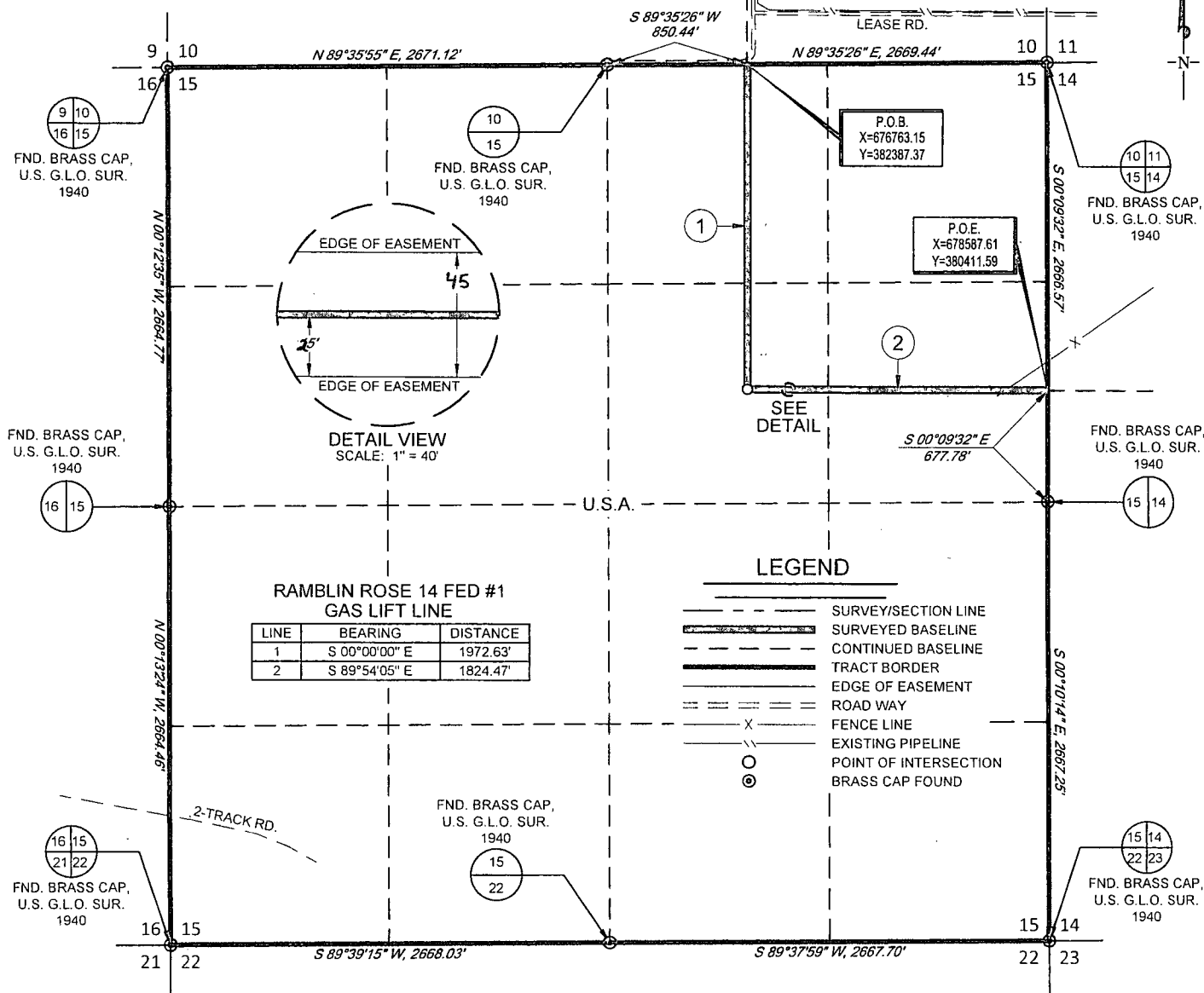
Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013



LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140
TELEPHONE: (817) 744-7512 • FAX (817) 744-7548
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065
TELEPHONE: (806) 665-7218 OR (800) 665-6382 • FAX (806) 665-7210
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SECTION 15, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



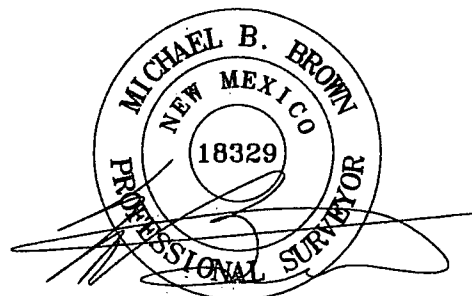
RAMBLIN ROSE 14 FED #1
Infrastructure EASEMENT

Being a proposed : easement being **45** feet in width **20** feet left, and **25** feet right of the above platted centerline total line footage containing 3797.10 feet or 230.13 rods, containing 2.62 acres more or less and being allocated by rities as follows.

NW/4 NE/4 - 1332.94 feet or 80.78 rods containing 0.92 acres
SW/4 NE/4 - 1129.86 feet or 68.48 rods containing 0.78 acres
SE/4 NE/4 - 1334.30 feet or 80.87 rods containing 0.92 acres



Geog resources, inc.



Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013

RAMBLIN ROSE 14 FED #1 GAS LIFT LINE EASEMENT	REVISION:	
	INT	DATE
DATE: AUGUST 21, 2013		
FILE: EP_RAMBLINROSE14FED_1 :LINE_SEC_15		
DRAWN BY: S.V.		
SHEET: 1 OF 1		

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES
CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO
STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE NORTH
AMERICAN DATUM 1927, U.S. SURVEY FEET

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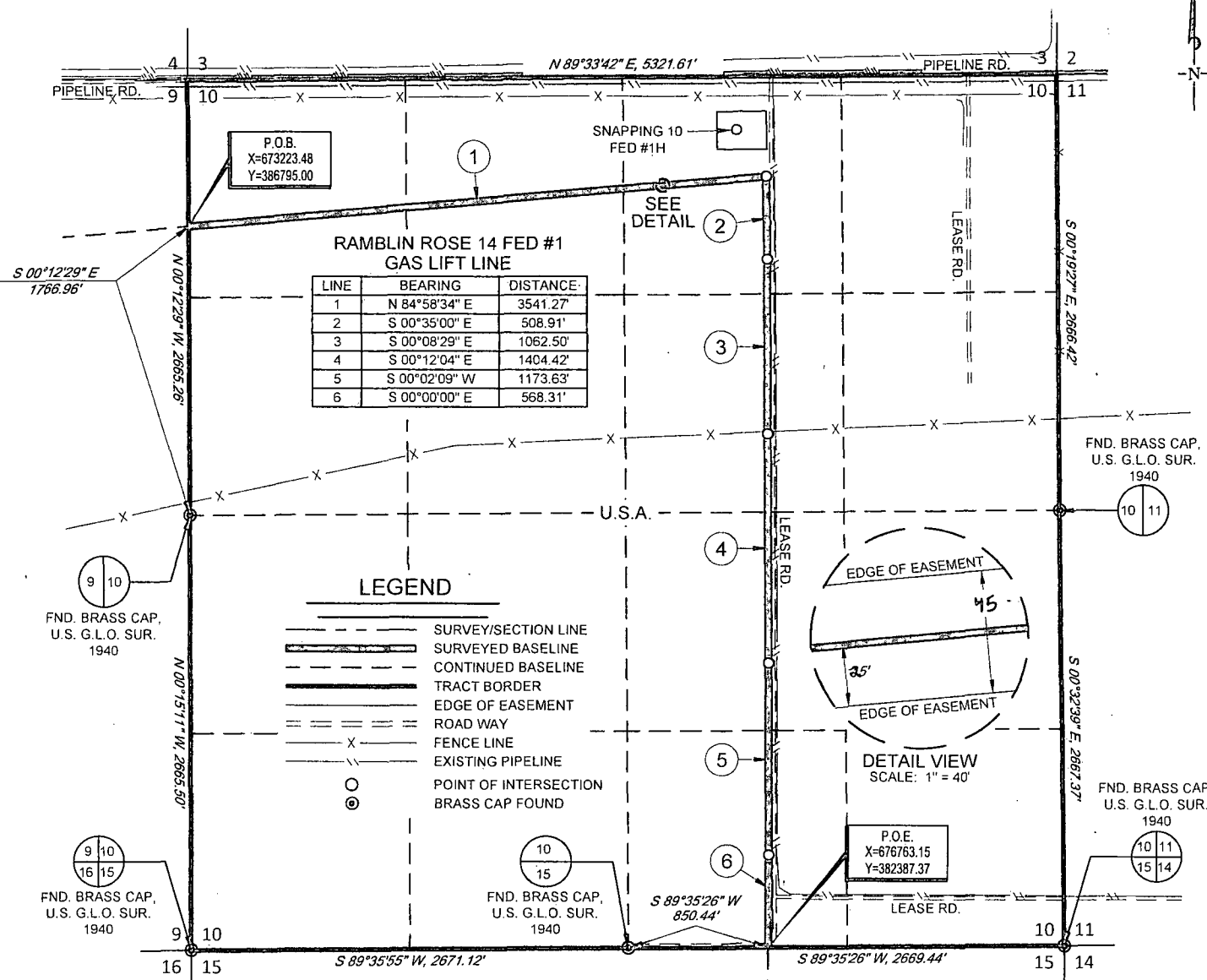


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SCALE 1" = 1000'

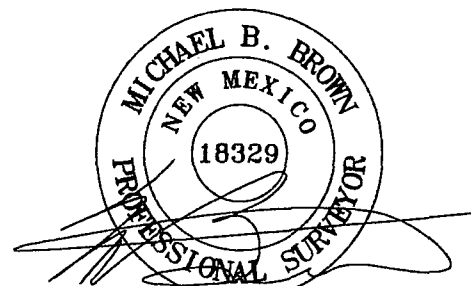
SECTION 10, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



**RAMBLIN ROSE 14 FED #1
Infrastructure EASEMENT**

Being a proposed easement being 45 feet in width, 20 feet left, and 25 feet right of the above platted centerline total line footage containing 8259.04 feet or 500.55 rods, containing 5.69 acres more or less and being allocated by forties as follows.

NW/4 NW/4 - 1336.03 feet or 80.97 rods containing 0.92 acres
NE/4 NW/4 - 1335.78 feet or 80.96 rods containing 0.92 acres
NW/4 NE/4 - 1587.29 feet or 96.20 rods containing 1.09 acres
SW/4 NE/4 - 1333.02 feet or 80.79 rods containing 0.92 acres
NW/4 SE/4 - 1333.45 feet or 80.82 rods containing 0.92 acres
SW/4 SE/4 - 1333.47 feet or 80.82 rods containing 0.92 acres



RAMBLIN ROSE 14 FED #1 GAS LIFT LINE EASEMENT	REVISION:	
	INT	DATE
DATE: AUGUST 21, 2013		
FILE: EP_RAMBLINROSE14FED_1 LINE SEC_10		
DRAWN BY: S.V.		
SHEET: 1 OF 1		

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET

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Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013

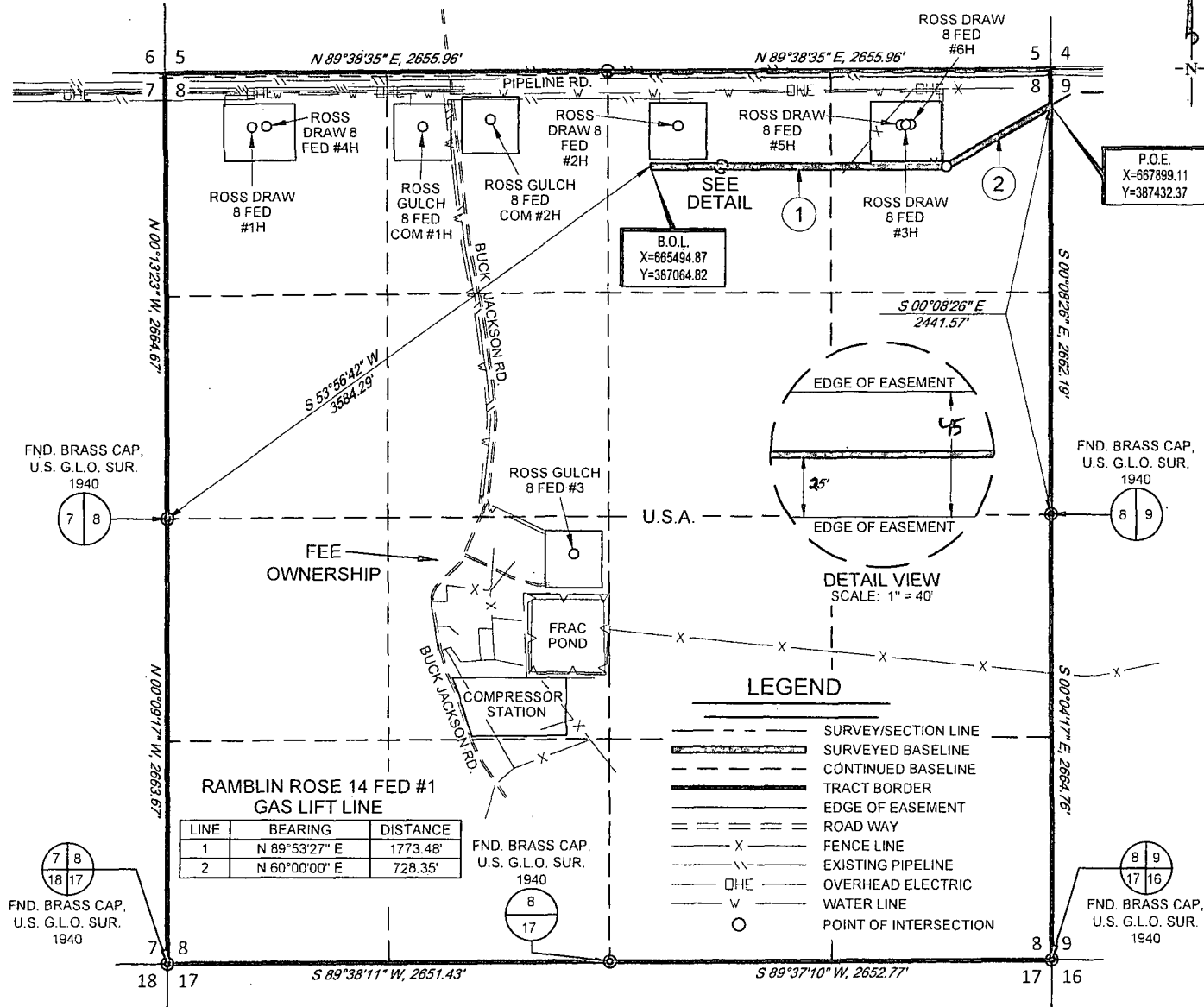


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2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065
TELEPHONE: (806) 665-7218 OR (806) 658-6382 • FAX (806) 665-7210
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SCALE 1" = 1000'

SECTION 8, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



RAMBLIN ROSE 14 FED #1
Infrastructure EASEMENT

Being a proposed easement being 45 feet in width, 20 feet left, and 25 feet right of the above platted centerline total line footage containing 2501.83 feet or 151.63 rods, containing 1.72 acres more or less and being allocated by torties as follows.

NW/4 NE/4 - 1077.17 feet or 65.28 rods containing 0.74 acres
NE/4 NE/4 - 1424.66 feet or 86.34 rods containing 0.98 acres



RAMBLIN ROSE 14 FED #1 GAS LIFT LINE EASEMENT	REVISION:	
	INT	DATE
DATE: AUGUST 21, 2013		
FILE: EP_RAMBLINROSE14FED_1 LINE_SEC_8		
DRAWN BY: S.V.		
SHEET: 1 OF 1		

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET

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ORIGINAL DOCUMENT SIZE: 8.5" X 11"



Michael Blake Brown, P.S. No. 18329
AUGUST 21, 2013



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LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140
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2225 PERRYTON PARKWAY • FRANKF, TEXAS 75065
TELEPHONE: (805) 655-7218 OR (800) 655-6382 • FAX (806) 565-7210
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EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED NO. 1

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1090'
Top of Salt	1,460'
Base of Salt	3,900'
Lamar	4,110'
Bell Canyon	4,135'
Cherry Canyon	5,080'
Brushy Canyon	6,465'
Bone Spring Lime	8,120'
1 st Bone Spring Sand	9,070'
2 nd Bone Spring Carb	9,465'
2 nd Bone Spring Sand	9,800'
3 rd Bone Spring Carb	10,200'
TD	10,700'

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	0- 400'	Fresh Water
Brushy Canyon	6,465'	Oil
Bone Spring Lime	8,120'	Oil
1 st Bone Spring Sand	9,070'	Oil
2 nd Bone Spring Carb	9,465'	Oil
2 nd Bone Spring Sand	9,800'	Oil
3 rd Bone Spring Carb	10,200'	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities.
Surface fresh water sands will be protected by setting 13.375" casing at ~~1,175'~~ and
circulating cement back to surface.

1387'

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED NO. 1

4. CASING PROGRAM - NEW

See COA

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
17.5"	0 - 1,175'	13.375"	54.5#	J55	STC	1.125	1.25	1.60
12.25"	0 - 4000'	9.625"	40#	J55	LTC	1.125	1.25	1.60
8.75"	0'-10,700'	7"	26#	HCL80	LTC	1.125	1.25	1.60

Cementing Program:

Depth	No. Sacks	Wt. lb/gal	Yld Ft ³ /ft	Slurry Description
1,175' 13 3/8"	400	13.5	1.73	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ surface)
	300	14.8	1.34	Tail: Class C + 0.005 pps Static Free + 1% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
4,000' 9 7/8"	650	12.7	2.22	Lead: Class C + 2% SMS + 0.8% R-3 + 0.25 pps CelloFlake + 0.005 pps Static Free (TOC @ surface)
	200	14.8	1.32	Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
10,700' 7"	200	10.8	3.68	Lead: 60:40:0 Class 'C' + 15.00 lb/sk BA-90 + 4.00% MPA-5 + 3.00% SMS + 5.00% A-10 + 1.00% BA-10A + 0.80% ASA-301 + 2.50% R-21 + 8.00 lb/sk LCM-1 (TOC @ 3,500')
	250	11.8	2.38	Middle: 50:50:10 Class 'H' + 0.80% FL-52A + 0.50% ASA-301 + 1.30% SMS + 2.00% Salt (2.224 lb/sk) + 0.70% R-21 + 3.00 lb/sk LCM-1 + 0.25 lb/sk Cello Flake
	450	14.2	1.28	Tail: 50:50:2 Class 'H' + 0.65% FL-52 + 0.20% CD-32 + 0.15% SMS + 2.00% Salt (0.962 lb/sk) + 0.05% R-3

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED NO. 1

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

See
COA

Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line).

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a double ram-type (10,000 psi WP) preventer and an annular preventer (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

3000 psi BOPE is adequate for this application. Due to the 3000 psi BOPE requirement no FIT tests are planned.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 2000/ 250 psig and the annular preventer to 2000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 3000/ 250 psig and the annular preventer to 3000/ 250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED NO. 1

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

The applicable depths and properties of the drilling fluid systems are as follows. Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

See COA

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 - 1,387'	Fresh water + Gel	8.6-8.8	28-34	N/c
1,387' - 4,000'	Brine	10.0-10.2	28-34	N/c
4,000' - 10,700'	Cut Brine	8.4-9.3	28-34	N/c

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

(A) A kelly cock will be kept in the drill string at all times.

(B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.

(C) H₂S monitoring and detection equipment will be utilized from surface casing point to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logging is possible in the 8-3/4" hole section. The possible logging suite for this hole section is listed below:

LDT-CNL-HNGS w/ Pe From TD to intermediate casing point.

GR-CCL Will be run in cased hole during completions phase of operations from TD to surface.

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED NO. 1

**9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND
POTENTIAL HAZARDS:**

The estimated bottom hole temperature (BHT) at TD is 166 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 4633 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major loss circulation zones have been reported in offsetting wells.

See
COA

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The drilling operation should be finished in approximately one month. If the well is productive, an additional 90-120 days will be required for completion and testing before a decision is made to install permanent facilities.

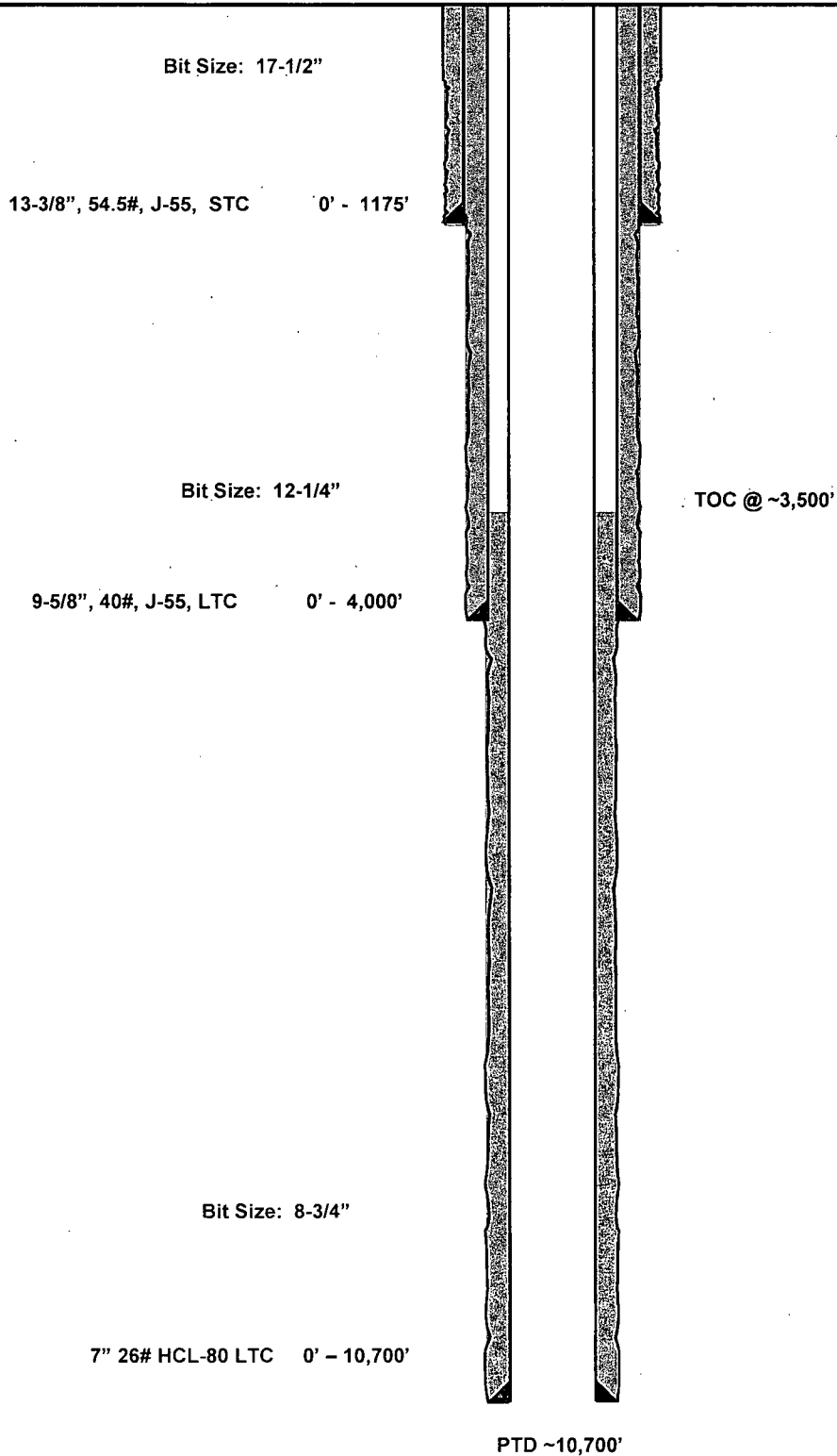
Ramblin Rose 14 Fed #1
Eddy County, New Mexico

1810' FNL
820' FWL
Section 14
T-26-S, R-31-E

Proposed Wellbore

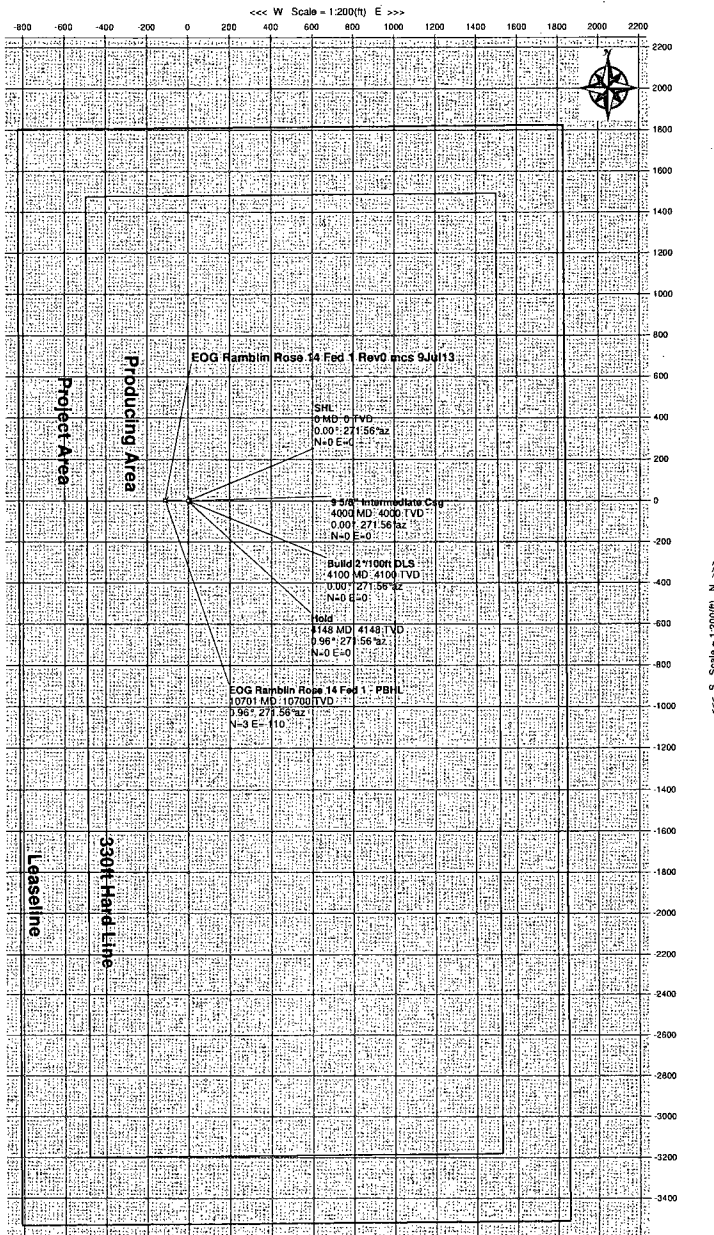
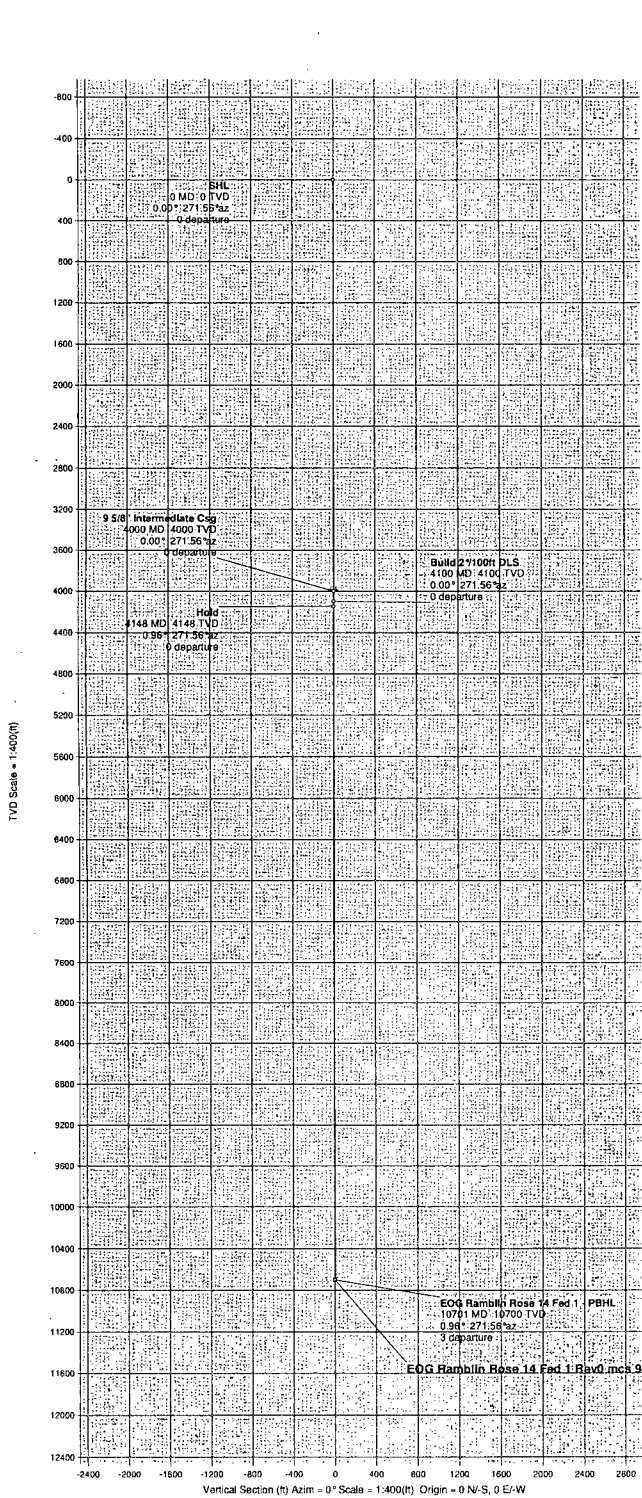
API: 30-015-

KB: 3232.5'
GL: 3202.0'



WELL	Ramblin-Rose 14 Fed 1	FIELD	Eddy County, NM (NAD 27)	STRUCTURE	Patterson 452
Magnetic Parameters	Model: BOGM 2012	Dip: 59.88°	Date: July 09, 2013	Surface Location	NAD27 New Mexico State Plane, Eastern Zone, US Feet
	Mag Dec: 7.509°	FS: 48249.6mT		Eac: N 32 2 42.193	Northing: 380597.00 HUS
				Eac: W 103 45 15.524	Grid Conv: 0.307°
					Scale Fact: 0.9994596
Miscellaneous	Shot: Ramblin Rose 14 Fed 1	TVD Ref: 8K81329H above MSL			
	Flur: Rev0 mcs 8Jul13	Srvy Date: July 09, 2013			

Comments	Survey MD	Inc	Azim	TVD	SSTVD	VS	NS	EW	Longitude	Latitude	Easting	Northing	DLS	Tool Face
SHL	0.00	0.00	271.56	0.00	-3229.00	0.00	0.00	0.00	N 32 2 42.193	W 103 45 15.524	679407.00	380597.00	271.56	
9 5/8" Intermediate Csg	4000.00	0.00	271.56	4000.00	771.00	0.00	0.00	0.00	N 32 2 42.193	W 103 45 15.524	679407.00	380597.00	0.00	271.56
Build 2 7/100ft DLS	4100.00	0.00	271.56	4100.00	871.00	0.00	0.00	0.00	N 32 2 42.193	W 103 45 15.524	679407.00	380597.00	0.00	271.56
Hold	4148.00	0.96	271.56	4148.00	919.00	0.01	0.01	-0.40	N 32 2 42.193	W 103 45 15.529	679406.60	380597.01	2.00	271.56
PBHL	10700.92	0.96	271.56	10700.00	7471.00	3.00	3.00	-110.01	N 32 2 42.229	W 103 45 16.802	679297.00	380600.00	0.00	



Legend

EOG Ramblin Rose 14 Fed 1 - 100% New Line

EOG Ramblin Rose 14 Fed 1 - 100% New Line

EOG Ramblin Rose 14 Fed 1 - 100% New Line

EOG Ramblin Rose 14 Fed 1 - 100% New Line

Grid North

Tot Corr (M->G 7.2021°)

Mag Dec (7.509°)

Grid Conv (0.307°)

Drawn By: MShetter

Date Created: July 09, 2013 03:58:17 PM

Checked By:

Approved By:

Approved Date:



EOG Ramblin Rose 14 Fed 1 Rev0 mcs 9Jul13 Proposal Geodetic Report



(Def Plan)

Report Date: July 09, 2013 - 03:56 PM
Client: Eog Resources
Field: NM Eddy County (NAD 27)
Structure / Slot: EOG Ramblin Rose 14 Fed 1 / EOG Ramblin Rose 14 Fed 1
Well: EOG Ramblin Rose 14 Fed 1
Borehole: Original Borehole
UWI / API#: Patterson 452 / Unknown
Survey Name: EOG Ramblin Rose 14 Fed 1 Rev0 mcs 9Jul13
Survey Date: July 09, 2013
Tort / AHD / DDI / ERD Ratio: 0.963 * / 110.047 ft / 2.025 / 0.010
Coordinate Reference System: NAD27 New Mexico State Plane, Eastern Zone, US Feet
Location Lat / Long: N 32° 2' 42.19335", W 103° 45' 15.52385"
Location Grid N/E Y/X: N 380597.000 RUS, E 679407.000 RUS
CRS Grid Convergence Angle: 0.3072 °
Grid Scale Factor: 0.99994596

Survey / DLS Computation: Minimum Curvature / Lubinski
Vertical Section Azimuth: 0.000 ° (Grid North)
Vertical Section Origin: 0.000 ft, 0.000 ft
TVD Reference Datum: RKB
TVD Reference Elevation: 3229.000 ft above MSL
Seabed / Ground Elevation: 3202.000 ft above MSL
Magnetic Declination: 7.509 °
Total Gravity Field Strength: 998.4910mgn (9.80665 Based)
Total Magnetic Field Strength: 48249.604 nT
Magnetic Dip Angle: 59.889 °
Declination Date: July 09, 2013
Magnetic Declination Model: BGGM 2012
North Reference: Grid North
Grid Convergence Used: 0.3072 °
Total Corr Mag North-Grid North: 7.2021 °

Local Coord Referenced To: Structure Reference Point

Comments	MD	Incl	Azim Grid	TVD	TVDSS	VSEC	NS	EW	DLS	Northing	Easting	Latitude	Longitude
	(ft)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)	(ft)	(ft/100ft)	(ft)	(ft)	(N/S ° ' ")	(E/W ° ' ")
SHL	0.00	0.00	271.56	0.00	-3229.00	0.00	0.00	0.00	N/A	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	100.00	0.00	271.56	100.00	-3128.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	200.00	0.00	271.56	200.00	-3028.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	300.00	0.00	271.56	300.00	-2929.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	400.00	0.00	271.56	400.00	-2829.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	500.00	0.00	271.56	500.00	-2729.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	600.00	0.00	271.56	600.00	-2629.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	700.00	0.00	271.56	700.00	-2529.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	800.00	0.00	271.56	800.00	-2429.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	900.00	0.00	271.56	900.00	-2329.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1000.00	0.00	271.56	1000.00	-2229.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1100.00	0.00	271.56	1100.00	-2129.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1200.00	0.00	271.56	1200.00	-2029.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1300.00	0.00	271.56	1300.00	-1929.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1400.00	0.00	271.56	1400.00	-1829.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1500.00	0.00	271.56	1500.00	-1729.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1600.00	0.00	271.56	1600.00	-1629.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1700.00	0.00	271.56	1700.00	-1529.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1800.00	0.00	271.56	1800.00	-1429.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	1900.00	0.00	271.56	1900.00	-1329.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2000.00	0.00	271.56	2000.00	-1229.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2100.00	0.00	271.56	2100.00	-1129.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2200.00	0.00	271.56	2200.00	-1029.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2300.00	0.00	271.56	2300.00	-929.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2400.00	0.00	271.56	2400.00	-829.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2500.00	0.00	271.56	2500.00	-729.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2600.00	0.00	271.56	2600.00	-629.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2700.00	0.00	271.56	2700.00	-529.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2800.00	0.00	271.56	2800.00	-429.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	2900.00	0.00	271.56	2900.00	-329.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3000.00	0.00	271.56	3000.00	-229.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3100.00	0.00	271.56	3100.00	-129.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3200.00	0.00	271.56	3200.00	-29.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3300.00	0.00	271.56	3300.00	71.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3400.00	0.00	271.56	3400.00	171.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3500.00	0.00	271.56	3500.00	271.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3600.00	0.00	271.56	3600.00	371.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3700.00	0.00	271.56	3700.00	471.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3800.00	0.00	271.56	3800.00	571.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	3900.00	0.00	271.56	3900.00	671.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
9 5/8" Intermediate Csg	4000.00	0.00	271.56	4000.00	771.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	4100.00	0.00	271.56	4100.00	871.00	0.00	0.00	0.00	0.00	380597.00	679407.00	N 32 2 42.19	W 103 45 15.52
	4148.00	0.96	271.56	4148.00	919.00	0.01	0.01	-0.40	2.00	380597.01	679406.60	N 32 2 42.19	W 103 45 15.53
	4200.00	0.96	271.56	4199.99	970.99	0.03	0.03	-1.27	0.00	380597.03	679405.73	N 32 2 42.19	W 103 45 15.54
	4300.00	0.96	271.56	4299.98	1070.98	0.08	0.08	-2.95	0.00	380597.08	679404.05	N 32 2 42.19	W 103 45 15.56
	4400.00	0.96	271.56	4399.96	1170.96	0.13	0.13	-4.62	0.00	380597.13	679402.38	N 32 2 42.19	W 103 45 15.58
	4500.00	0.96	271.56	4499.95	1270.95	0.17	0.17	-6.30	0.00	380597.17	679400.70	N 32 2 42.20	W 103 45 15.60
	4600.00	0.96	271.56	4599.93	1370.93	0.22	0.22	-7.97	0.00	380597.22	679399.03	N 32 2 42.20	W 103 45 15.62
	4700.00	0.96	271.56	4699.92	1470.92	0.26	0.26	-9.65	0.00	380597.26	679397.35	N 32 2 42.20	W 103 45 15.64
	4800.00	0.96	271.56	4799.91	1570.91	0.31	0.31	-11.32	0.00	380597.31	679395.68	N 32 2 42.20	W 103 45 15.66
	4900.00	0.96	271.56	4899.89	1670.89	0.35	0.35	-12.99	0.00	380597.35	679394.01	N 32 2 42.20	W 103 45 15.67
	5000.00	0.96	271.56	4999.88	1770.88	0.40	0.40	-14.67	0.00	380597.40	679392.33	N 32 2 42.20	W 103 45 15.69
	5100.00	0.96	271.56	5099.86	1870.86	0.45	0.45	-16.34	0.00	380597.45	679390.66	N 32 2 42.20	W 103 45 15.71
	5200.00	0.96	271.56	5199.85	1970.85	0.49	0.49	-18.02	0.00	380597.49	679388.98	N 32 2 42.20	W 103 45 15.73
	5300.00	0.96	271.56	5299.84	2070.84	0.54	0.54	-19.69	0.00	380597.54	679387.31	N 32 2 42.20	W 103 45 15.75
	5400.00	0.96	271.56	5399.82	2170.82	0.58	0.58	-21.37	0.00	380597.58	679385.64	N 32 2 42.20	W 103 45 15.77
	5500.00	0.96	271.56	5499.81	2270.81	0.63	0.63	-23.04	0.00	380597.63	679383.96	N 32 2 42.20	W 103 45 15.79
	5600.00	0.96	271.56	5599.79	2370.79	0.67	0.67	-24.71	0.00	380597.67	679382.29	N 32 2 42.20	W 103 45 15.81
	5700.00	0.96	271.56	5699.78	2470.78	0.72	0.72	-26.39	0.00	380597.72	679380.61	N 32 2 42.20	W 103 45 15.83
	5800.00	0.96	271.56	5799.77	2570.77	0.76	0.76	-28.06	0.00	380597.76	679378.94	N 32 2 42.20	W 103 45 15.85
	5900.00	0.96	271.56	5899.75	2670.75	0.81	0.81	-29.73	0.00	380597.81	679377.27	N 32 2 42.20	W 103 45 15.87
	6000.00	0.96	271.56	5999.74	2770.74	0.86	0.86	-31.41	0.00	380597.86	679375.59	N 32 2 42.20	W 103 45 15.89
	6100.00	0.96	271.56	6099.72	2870.72	0.90	0.90	-33.08	0.00	380597.90	679373.92	N 32 2 42.20	W 103 45 15.91
	6200.00	0.96	271.56	6199.71	2970.71	0.95	0.95	-34.75	0.00	380597.95	679372.25	N 32 2 42.20	W 103 45 15.93
	6300.00	0.96	271.56	6299.70	3070.70	0.99	0.99	-36.43	0.00	380597.99	679370.57	N 32 2 42.21	W 103 45 15.95
	6400.00	0.96	271.56	6399.68	3170.68	1.04	1.04	-38.10	0.00	380598.04	679368.90	N 32 2 42.21	W 103 45 15.97
	6500.00	0.96	271.56	6499.67	3270.67	1.08	1.08	-39.77	0.00	380598.08	679367.23	N 32 2 42.21	W 103 45 15.99
	6600.00	0.96	271.56	6599.65	3370.65	1.13	1.13	-41.45	0.00	380598.13	679365.55	N 32 2 42.21	W 103 45 16.01
	6700.00												

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	TVDSS (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' '')	Longitude (E/W ° ' '')
	7200.00	0.96	271.56	7199.57	3970.57	1.40	1.40	-51.49	0.00	380598.40	679355.52	N 32 2 42.21	W 103 45 16.12
	7300.00	0.96	271.56	7299.56	4070.56	1.45	1.45	-53.16	0.00	380598.45	679353.84	N 32 2 42.21	W 103 45 16.14
	7400.00	0.96	271.56	7399.54	4170.54	1.49	1.49	-54.83	0.00	380598.49	679352.17	N 32 2 42.21	W 103 45 16.16
	7500.00	0.96	271.56	7499.53	4270.53	1.54	1.54	-56.50	0.00	380598.54	679350.50	N 32 2 42.21	W 103 45 16.18
	7600.00	0.96	271.56	7599.51	4370.51	1.59	1.59	-58.18	0.00	380598.59	679348.83	N 32 2 42.21	W 103 45 16.20
	7700.00	0.96	271.56	7699.50	4470.50	1.63	1.63	-59.85	0.00	380598.63	679347.15	N 32 2 42.21	W 103 45 16.22
	7800.00	0.96	271.56	7799.49	4570.49	1.68	1.68	-61.52	0.00	380598.68	679345.48	N 32 2 42.21	W 103 45 16.24
	7900.00	0.96	271.56	7899.47	4670.47	1.72	1.72	-63.19	0.00	380598.72	679343.81	N 32 2 42.21	W 103 45 16.26
	8000.00	0.96	271.56	7999.46	4770.46	1.77	1.77	-64.87	0.00	380598.77	679342.14	N 32 2 42.21	W 103 45 16.28
	8100.00	0.96	271.56	8099.44	4870.44	1.81	1.81	-66.54	0.00	380598.81	679340.47	N 32 2 42.21	W 103 45 16.30
	8200.00	0.96	271.56	8199.43	4970.43	1.86	1.86	-68.21	0.00	380598.86	679338.79	N 32 2 42.22	W 103 45 16.32
	8300.00	0.96	271.56	8299.42	5070.42	1.90	1.90	-69.88	0.00	380598.90	679337.12	N 32 2 42.22	W 103 45 16.34
	8400.00	0.96	271.56	8399.40	5170.40	1.95	1.95	-71.55	0.00	380598.95	679335.45	N 32 2 42.22	W 103 45 16.36
	8500.00	0.96	271.56	8499.39	5270.39	2.00	2.00	-73.23	0.00	380599.00	679333.78	N 32 2 42.22	W 103 45 16.37
	8600.00	0.96	271.56	8599.37	5370.37	2.04	2.04	-74.90	0.00	380599.04	679332.11	N 32 2 42.22	W 103 45 16.39
	8700.00	0.96	271.56	8699.36	5470.36	2.09	2.09	-76.57	0.00	380599.09	679330.43	N 32 2 42.22	W 103 45 16.41
	8800.00	0.96	271.56	8799.35	5570.35	2.13	2.13	-78.24	0.00	380599.13	679328.76	N 32 2 42.22	W 103 45 16.43
	8900.00	0.96	271.56	8899.33	5670.33	2.18	2.18	-79.91	0.00	380599.18	679327.09	N 32 2 42.22	W 103 45 16.45
	9000.00	0.96	271.56	8999.32	5770.32	2.22	2.22	-81.58	0.00	380599.22	679325.42	N 32 2 42.22	W 103 45 16.47
	9100.00	0.96	271.56	9099.30	5870.30	2.27	2.27	-83.26	0.00	380599.27	679323.75	N 32 2 42.22	W 103 45 16.49
	9200.00	0.96	271.56	9199.29	5970.29	2.32	2.32	-84.93	0.00	380599.32	679322.08	N 32 2 42.22	W 103 45 16.51
	9300.00	0.96	271.56	9299.28	6070.28	2.36	2.36	-86.60	0.00	380599.36	679320.41	N 32 2 42.22	W 103 45 16.53
	9400.00	0.96	271.56	9399.26	6170.26	2.41	2.41	-88.27	0.00	380599.41	679318.73	N 32 2 42.22	W 103 45 16.55
	9500.00	0.96	271.56	9499.25	6270.25	2.45	2.45	-89.94	0.00	380599.45	679317.06	N 32 2 42.22	W 103 45 16.57
	9600.00	0.96	271.56	9599.23	6370.23	2.50	2.50	-91.61	0.00	380599.50	679315.39	N 32 2 42.22	W 103 45 16.59
	9700.00	0.96	271.56	9699.22	6470.22	2.54	2.54	-93.28	0.00	380599.54	679313.72	N 32 2 42.22	W 103 45 16.61
	9800.00	0.96	271.56	9799.21	6570.21	2.59	2.59	-94.95	0.00	380599.59	679312.05	N 32 2 42.22	W 103 45 16.63
	9900.00	0.96	271.56	9899.19	6670.19	2.63	2.63	-96.63	0.00	380599.63	679310.38	N 32 2 42.22	W 103 45 16.65
	10000.00	0.96	271.56	9999.18	6770.18	2.68	2.68	-98.30	0.00	380599.68	679308.71	N 32 2 42.23	W 103 45 16.67
	10100.00	0.96	271.56	10099.16	6870.16	2.73	2.73	-99.97	0.00	380599.73	679307.04	N 32 2 42.23	W 103 45 16.69
	10200.00	0.96	271.56	10199.15	6970.15	2.77	2.77	-101.64	0.00	380599.77	679305.37	N 32 2 42.23	W 103 45 16.70
	10300.00	0.96	271.56	10299.14	7070.14	2.82	2.82	-103.31	0.00	380599.82	679303.70	N 32 2 42.23	W 103 45 16.72
	10400.00	0.96	271.56	10399.12	7170.12	2.86	2.86	-104.98	0.00	380599.86	679302.03	N 32 2 42.23	W 103 45 16.74
	10500.00	0.96	271.56	10499.11	7270.11	2.91	2.91	-106.65	0.00	380599.91	679300.36	N 32 2 42.23	W 103 45 16.76
	10600.00	0.96	271.56	10599.09	7370.09	2.95	2.95	-108.32	0.00	380599.95	679298.69	N 32 2 42.23	W 103 45 16.78
	10700.00	0.96	271.56	10699.08	7470.08	3.00	3.00	-109.99	0.00	380600.00	679297.02	N 32 2 42.23	W 103 45 16.80
EOG Ramblin Rose 14 Fed 1 - PBHL	10700.92	0.96	271.56	10700.00	7471.00	3.00	3.00	-110.01	0.00	380600.00	679297.00	N 32 2 42.23	W 103 45 16.80

Survey Type: Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma
Survey Program:

Description	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Survey Tool Type	Borehole / Survey
	0.000	27.000	1/100.000	30.000	30.000	SLB_UNKNOWN-Depth Only	Original Borehole / EOG Ramblin Rose 14 Fed 1 Rev0 mcs 9Jul13
	27.000	10700.920	1/100.000	30.000	30.000	SLB_UNKNOWN	Original Borehole / EOG Ramblin Rose 14 Fed 1 Rev0 mcs 9Jul13

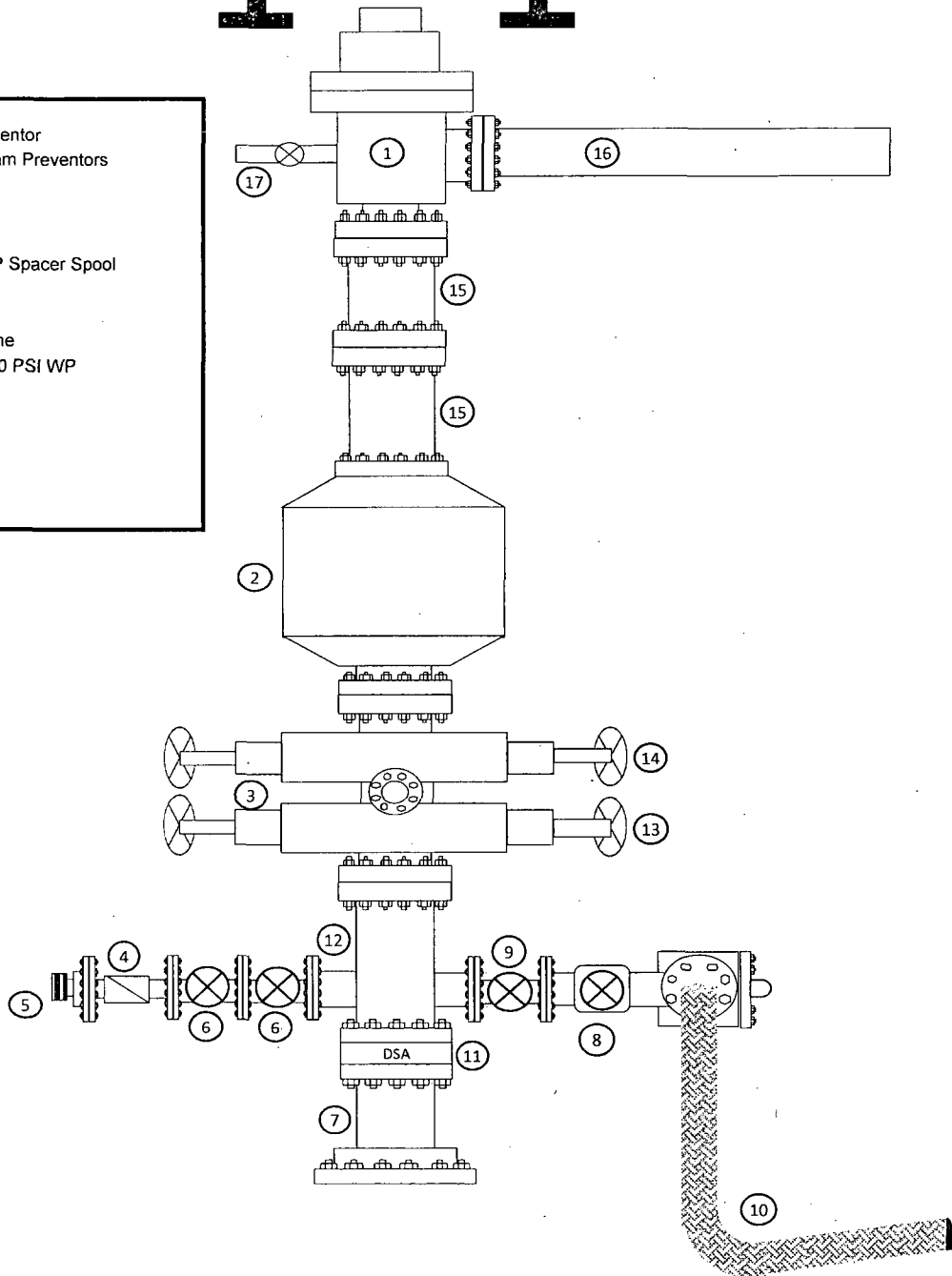
EOG Resources

10M BOPE

Exhibit #1

Rig Floor

1. 13 5/8" Rotating Head
2. Hydril 13 5/8" 5,000 PSI WP GK Annular Preventor
3. 13 5/8" Cameron Type "U" 10,000 PSI WP Ram Preventors
4. 2 1/16" - 10,000 PSI WP Check Valve
5. 10,000 PSI WP - 1502 Union to kill line
6. 2 1/16" - 10,000 PSI WP Manual Valves
7. 13 5/8" 3,000 PSI WP x 13 5/8" 5,000 PSI WP Spacer Spool
8. 4 1/16" 10,000 PSI WP HCR Valve
9. 4 1/16" 10,000 PSI WP Manual Valve
10. 8" OD x 4" ID 10,000 PSI WP Flex Choke Line
11. DSA - 13 5/8" 10,000 PSI WP x 13 5/8" 5,000 PSI WP
12. Mud Cross - 13 5/8" 10,000 PSI WP
13. Blind Rams
14. Pipe Rams
15. 13 5/8" 5,000 PSI WP Spacer Spools
16. Flow Line
17. 2" Fill Line



EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

ATTACHMENT TO EXHIBIT #1

1. Wear ring to be properly installed in head.
2. Blow out preventer and all fittings must be in good condition, 5000 psi W.P. minimum. Exhibit #1.
3. All fittings to be flanged
4. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 5000 psi W.P. minimum.
5. All choke and fill lines to be securely anchored especially ends of choke lines.
6. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
7. Kelly cock on kelly.
8. Extension wrenches and hand wheels to be properly installed.
9. Blow out preventer control to be located as close to driller's position as feasible.
10. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.

1. Cameron 2 1/16" 10,000 PSI WP Gate Valve
2. 4 1/16" 10,000 PSI WP Manual Choke
3. Cameron 4 1/16" 10,000 PSI WP Manual Valve
4. 8" OD x 4" ID 10,000 PSI WP Flex Choke Line
5. Cameron 4 1/16" 10,000 PSI WP Manual Valve
& Pressure Gauge on Pressure Block
6. 10,000 PSI WP Hydraulic Choke Valve
7. 8" Expansion Chamber
8. LP Butterfly Valve
9. LP Valve
10. 4" Panic Line
11. 6" Butterfly Valve
12. 10-3/4" Butterfly Valve
13. 6" Butterfly Valve



Manufacturer: Robsco, Inc.

Serial Number: L31802030612R091712-1

Length: 35'

Size: OD = 8" ID = 3.5"

Ends: 4-1/16" 10k Flange

WP Rating: 10,000 psi

Anchors required by manufacturer: No



Robesco, Inc.

OILFIELD RUBBER PRODUCTS

4749 Eastpark Drive

Houston, TX 77028

United States of America

Gates Corporation Authorized Rotary and Vibrator Hose Subcontracted Fabricator

Hydrostatic Test Certification

Robesco, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the hydrostatic test per API Spec 7K, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Assembly Part Number

36335R4-1/16FLG10K-SS

Serial Number / Date Code

L31802030612R091712-1

Chart Recorder Information

Hose Size

3.5IN X 35FT

Testers

OC CS

Serial Number

Recorder 22349

Calibration Date

July 10th 2012

Hydrostatic Test: Passed

Visual Inspection: Passed

QA Representative Signature

9/17/2012 PS
Date & Initial

30

35

2095835-9368660

3 1/2" X 35' w/4 1/2" FLO

L31802030612-R041712-

Length of ops F-3115

SK PSI-30.85

Over All-34.97

32

35 Avenue Choke & Kill
x 800
1530-6535
10x up

Craig Whitford

REMARKS

LOCATION

M

CHART PUT ON

TAKEN OFF

M

CHART NO. MC MP-30000-IHR

Geophysical Unit

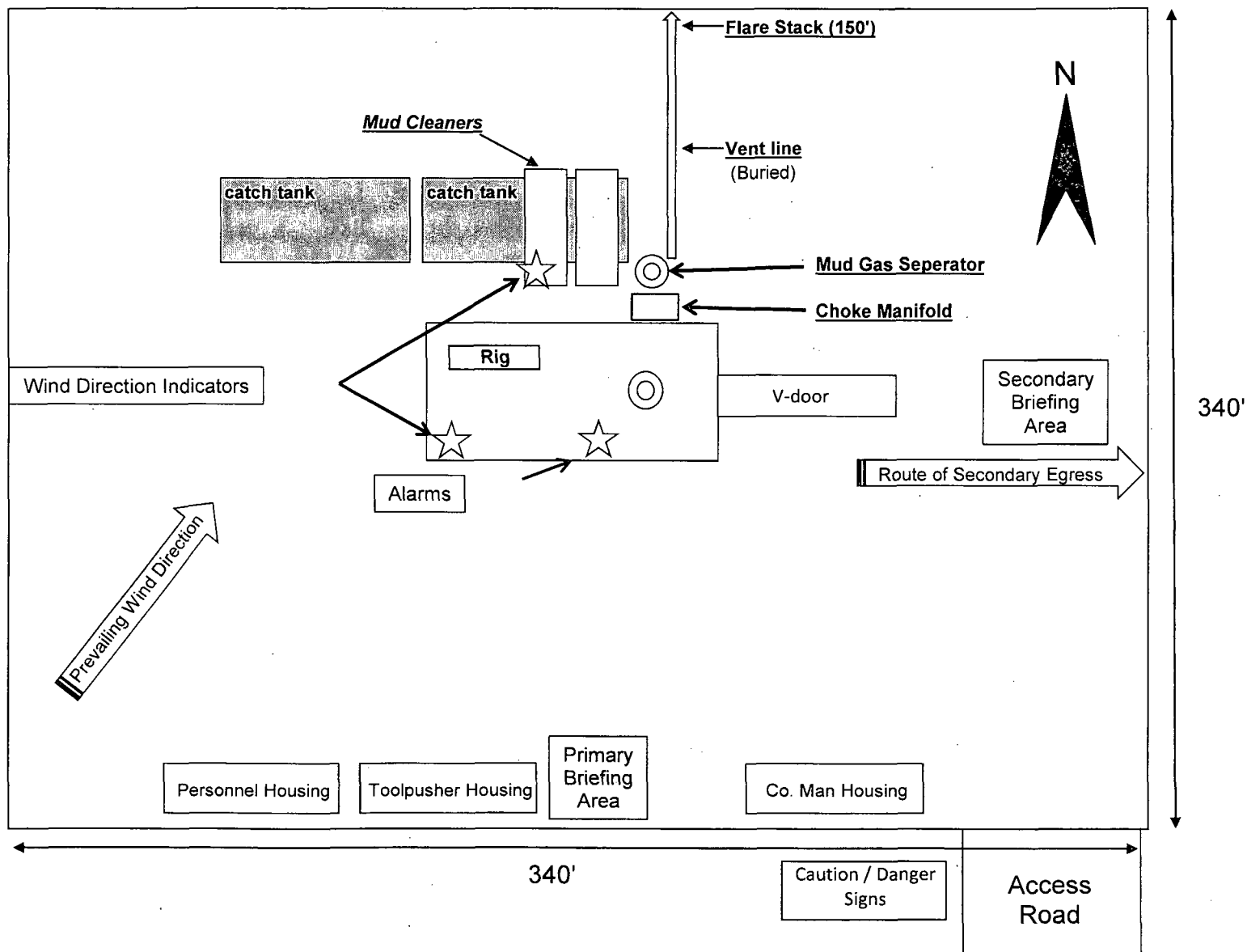


5

60 0

Exhibit 4
EOG Resources
Ramblin Rose 14 Fed #1

Well Site Diagram



EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H₂S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:

- Well control equipment

- a. Flare line 150' from wellhead to be ignited by flare gun.
- b. Choke manifold with a remotely operated choke.
- c. Mud/gas separator

- Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) — 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escapes packs — 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
- c. Emergency Escape Packs — 4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8 inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher

- H₂S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.

- a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
- b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
- c. Two wind socks will be placed in strategic locations, visible from all angles.

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

- **Mud program:**
The mud program has been designed to minimize the volume of H₂S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H₂S bearing zones.
- **Metallurgy:**
All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.
- **Communication:**
Communication will be via cell phones and land lines where available.

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

Emergency Assistance Telephone List

PUBLIC SAFETY: **911 or**

Eddy County Sheriff's Department (575) 887-7551

Kent Waller

Fire Department:

Carlsbad (575) 885-3125

Artesia (575) 746-5050

Hospitals:

Carlsbad (575) 887-4121

Artesia (575) 748-3333

Hobbs (575) 392-1979

Dept. of Public Safety/Carlsbad (575) 748-9718

Highway Department (575) 885-3281

New Mexico Oil Conservation (575) 476-3440

U.S. Dept. of Labor (575) 887-1174

EOG Resources, Inc.

EOG / Midland Office (432) 686-3600

Company Drilling Consultants:

Danny Kiser Will Henderson Cell (432) 894-3417

Larry King

Drilling Engineer

Steve Munsell Office (432) 686-3609

Cell (432) 894-1256

Operations Manager

Travis Lain Office (432) 686-3740

Cell (432) 254-3521

Drilling Superintendents

Ron Welch Office (432) 686-3695

Cell (432) 386-0592

Cactus Drilling

Cactus Drilling Office (580) 799-2752

Cactus 123 Drilling Rig Rig (432) 894-3417

Tool Pusher:

Jack Herndon Cell (405) 519-6552

Larry Slife Cell (405) 250-6368

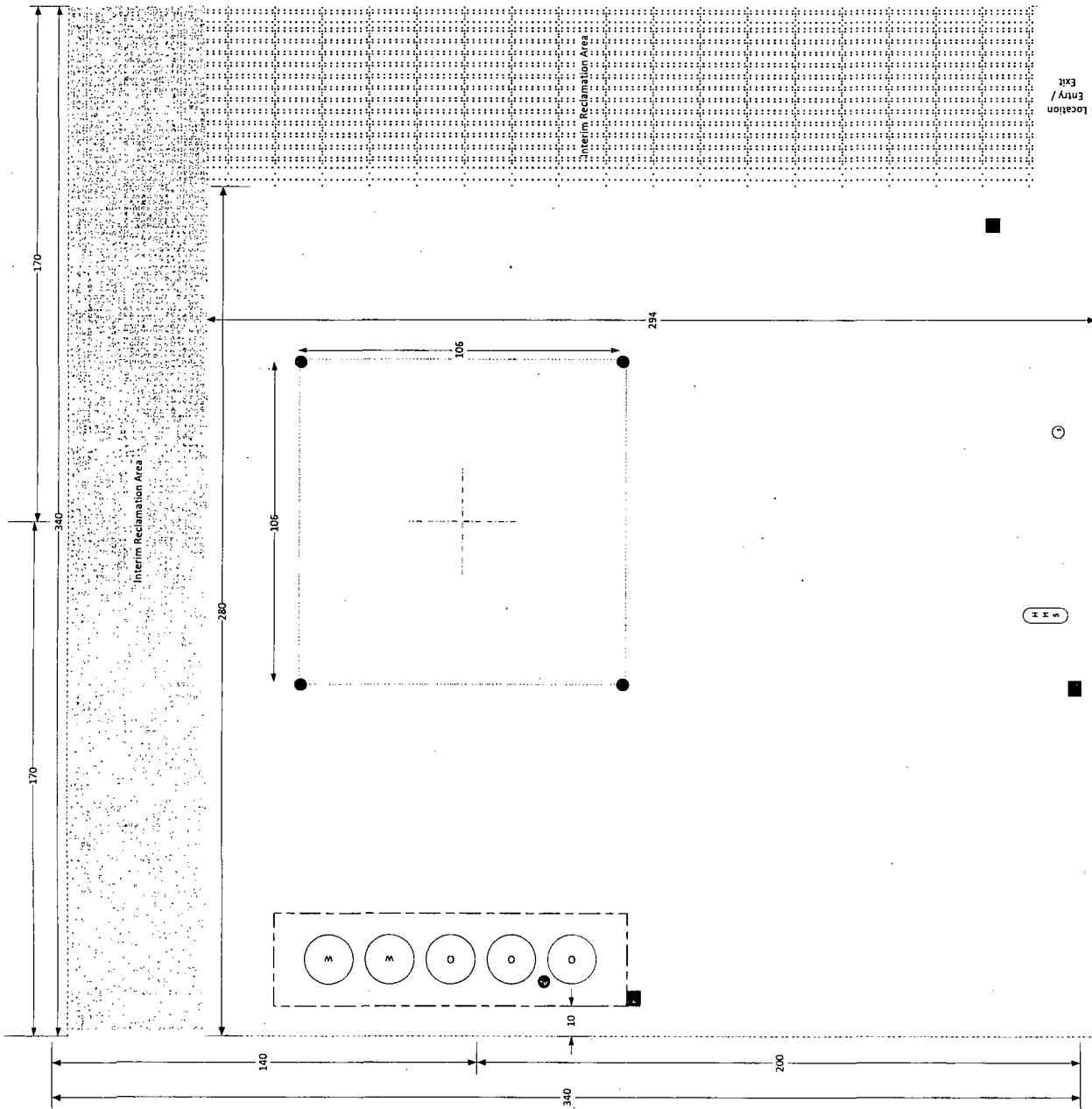
Safety

Reggie Phillips (HSE Manager) Office (432) 686-3747

Cell (303) 501-4587

Brian Chandler Cell (806) 777-8814

Terry Maxwell (Consultant) Cell (432) 349-6926



Legend

ecog resources		
Titile Ramblin Rose 14 Fed #1		
DESCRIPTION Proposed Surface Use Plan		
DRAWN BY BLW	REVISED 7/9/13	SCALE 1" = 35'

**EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1**

SURFACE USE PLAN OF OPERATION

**SHL: 1810' FNL & 820' FWL, Unit E, Section 14-T26S-R31E, N.M.P.M., Eddy Co, NM
BHL: 1806' FNL & 710' FWL, Unit E, Section 14-T26S-R33E, N.M.P.M., Eddy Co, NM**

An onsite inspection was conducted on Thursday, June 6th with BLM Natural Resources Specialists Tanner Nygren and Jesse Rice along with representatives from EOG Resources, Inc. to review the surface location, roads and infrastructure routes for the Ramblin Rose 14 Fed #1 well.

1. EXISTING ROADS:

- a. The well site and elevation plat for the proposed well are reflected on the well site layout; Form C-102. The well was staked by Michael B. Brown of Topographic Land Surveyors, N.M.P.S. No. 18329.
- b. All roads into the location are depicted on Exhibits 2 & 2a.
- c. Operator shall maintain existing lease roads and improve said roads as deemed necessary, whether by observation of Operator or by an Authorized Officer of the BLM. In compliance with Onshore Order 1, Operator will improve or maintain existing roads in a condition the same as, or better than before operations began. Proper crowning, ditching, drainage and turnouts shall be monitored and updated as necessary. Should additional surfacing be required, surfacing material shall be obtained from a BLM approved caliche pit. Any updates to existing roads would comply with the parameters set out in the Construction section of the Conditions of Approval for the well site location and its road access.
- d. Directions to Location: From the intersection of US Highway 285 and County Road 1, go south on County Road 1 for 13.6 miles, then turn right (west) on Battle Axe Road and travel 1.9 miles to a point 13,302 feet southeast of the location.

2. NEW OR RECONSTRUCTED ACCESS ROAD:

- a. The well site layout, Exhibit 2a shows the layout. The location will be accessed by a proposed lease road that will enter the location at the southeast corner of the well pad. This new lease road will travel a distance of 13,302 feet, and is depicted in the Ramblin Rose 14 Fed #1 Site Diagram. 14'
- b. The maximum width of the lease road is ~~30'~~. It is crowned and consists of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent soil erosion.
- c. Surface material is native caliche. This material will be obtained, as needed for maintenance, from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

- d. There will be two cattleguards installed along the access road to the Ramblin Rose 14 Fed #1 well site, and these cattle guards are depicted in the Ramblin Rose 14 Fed #1 Lease Infrastructure Map.

3. LOCATION OF EXISTING WELLS:

Exhibit 3 shows all existing wells within a one-mile radius of the surface and bottom hole locations of this well.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

- a. In the event the well is found to be productive, the production equipment will be located on site. Please refer to the attached production facility diagram. The production of this well will be measured for sales on lease.
- b. Applicant will lay a 6" poly buried low pressure gas sales pipeline, a distance of 21,002 feet west, that shall tie into an existing buried 6" poly low pressure gas sales pipeline located in Section 8, T26S-R31E, which leads to a SUG sales point on the northern line of Section 8, T64S-R31E. Applicant shall construct a produced water pipeline, a buried 6" poly low pressure line that travels 21,002 feet west of the proposed Ramblin Rose 14 Fed #1 well pad, that shall tie into an existing buried 6" poly low pressure produced water pipeline located in section 8, T26S-R31E. A proposed 4" surface poly gas lift line and SWD pipeline shall be laid 21,002 feet to the west to service the Ramblin Rose 14 Fed #1, and these pipelines shall originate in Section 8, T26S-R31E. Initially applicant shall have its oil trucked. Plains will be the crude oil purchaser and Flint will be the oil transport company. All pipelines described above are depicted on Exhibit 5.
- c. Electricity shall be brought from the west in Section 8, T26S-R31E a distance of 21,002 feet, and will service the electricity needs on the Ramblin Rose 14 Fed #1.
- d. Refer to b above.
- e. If the well is productive, rehabilitation plans are as follows:
 - i. The location shall be reduced on the East and North sides as depicted by the Location Layout. The interim reclamation will be performed when optimal conditions exist during the growing season as per the interim reclamation guidelines of the BLM.
 - ii. The original topsoil, which will be stored to the North of the well pad, will be returned to the location. The location will be contoured as close as possible to match the original topography.

5. LOCATION AND TYPE OF WATER SUPPLY:

This location will be drilled using a combination of water mud systems (outlined in the drilling program). The water will be obtained from commercial water stations in the area and hauled to location by poly pipelines using existing and proposed roads shown in Exhibit 2 & 2a. In these cases where a poly pipeline is used to transport

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

water for drilling purposes, proper authorizations will be secured. If poly pipeline is used to transport fresh water to the location, proper authorization will be secured by the contractor.

6. CONSTRUCTION MATERIALS

Obtaining Mineral Material – Caliche utilized for the drilling pad and proposed access road will be obtained either from an existing approved pit, or by benching into a hill which will allow the pad to level with existing caliche from cut, or extracted by “flipping” the location. A caliche permit shall be obtained from the BLM prior to excavating any caliche on Federal Lands. Amount will vary for each pad. The procedure for “flipping” the location is as follows:

- a. An adequate amount of topsoil for final reclamation will be stripped from the well location surface and stockpiled along the edge of the location as shown in the well site layout.
- b. An area will be used within the proposed well site to excavate caliche.
- c. The subsoil will then be removed and stockpiled within the footages of the well location.
- d. Once caliche/mineral material is found, the material will be excavated and stockpiled within the footages of the well location.
- e. The subsoil will then be placed back in the excavated hole.
- f. Caliche/mineral material will then be placed over the entire pad and/or road to be compacted.

In the event that caliche is not found on site, a permit will be acquired if caliche is obtained from a BLM approved caliche pit

7. METHODS OF HANDLING WASTE MATERIALS

- a. Drill cuttings shall be disposed of in a steel cuttings bin (catch tanks) on the drilling pad (behind the steel mud tanks). The bin and cuttings shall be hauled to an approved cuttings dumpsite.
At the site, the cuttings shall be removed from the bin & the bin shall be returned to the drilling site for reuse.
- b. All trash, junk, and other waste material shall be contained in trash cages or trash bins to prevent scattering. When a job is completed, all contents shall be removed and disposed of in an approved landfill.
- c. The supplier, including broken sacks, shall pick up salts remaining after completion of well.
- d. If necessary, a porto-john shall be provided for the rig crews. This equipment shall be properly maintained during the drilling and completion operations and shall be removed when all operations are complete.
- e. Remaining drilling fluids shall be hauled off by transports to a state approved disposal site. Water produced during completion shall be put in storage tanks

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

and disposed of in a state approved disposal. Oil and condensate produced shall be put in a storage tank and sold.

- f. Disposal of fluids to be transported by the following companies:
 - i. RGB TRUCKING
 - ii. LOBO TRUCKING
 - iii. I & W TRUCKING
 - iv. CRANE HOT OIL & TRANSPORT
 - v. JWS
 - vi. QUALITY TRUCKING

8. ANCILLARY FACILITIES:

- a. No airstrip, campsite, or other facilities will be built.

9. WELL SITE LAYOUT:

- a. Exhibit 4 shows the proposed location of sump pits, living facilities and well site layout with dimensions of the pad layout.
- b. Mud pits in the active circulating system shall be steel pits and the catch tanks shall be steel tanks set in shallow sumps behind the steel circulating tanks and sumps.
- c. The area where the catch tanks are placed shall be reclaimed and the surface vegetation restored to as or near the same condition that existed prior to operations.

10. PLANS FOR SURFACE RECLAMATION:

- a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche shall be removed from the pad and transported to the original caliche pit or used for other drilling locations and roads. The road shall be reclaimed and the surface vegetation restored to as or near the same condition that existed prior to operations. The original topsoil shall again be returned to the pad and contoured, as close as possible, to the original topography.
- b. After the well is plugged and abandoned, the location and road shall be reclaimed and the surface vegetation restored to as or near the same condition that existed prior to operations.
- c. Caliche from areas of the pad site not required for operations shall be reclaimed. The original topsoil shall be returned to the area of the drill pad not necessary to

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

operate the well. These unused areas of the drill pad shall be contoured, as close as possible, to match the original topography.

11. SURFACE OWNERSHIP

The surface is owned by the United States of America. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas.

12. OTHER INFORMATION:

- a. The area surrounding the well is mesquite and tar brush. The topsoil is sandy in nature. The vegetation is moderately sparse with native prairie grass, cactus and shinnery oak. A nesting hawk was observed during our onsite inspection roughly 190 yards to the Northwest, and in addition to the hawk it is likely that deer, rabbits, coyotes, other birds and rodents transverse the area.
- b. There are not dwellings within 0.50 miles of location.
- c. Applicant will participate in the MOA.

13. BOND COVERAGE:

- a. Bond Coverage is Nationwide; Bond No. NM 2308

EOG RESOURCES, INC.
RAMBLIN ROSE 14 FED #1

COMPANY REPRESENTATIVES:

Representatives responsible for ensuring compliance of the surface use plan are listed below:

Land and Right of Way

Mr. Roger Motley
Senior Lease Operations ROW Representative
EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3642 Office
(361) 537-8281 Cell

Drilling

Mr. Steve Munsell
Drilling Engineer
EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3609 Office
(432) 894-1256 Cell

Operations

Mr. Howard Kemp
Production Manager
EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3704 Office
(432) 634-1001 Cell

Regulatory

Mr. Stan Wagner
Regulatory Analyst
EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3689 Office

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	EOG Resources, Inc.
LEASE NO.:	NMLC-064756
WELL NAME & NO.:	Ramblin Rose 14 Fed 1
SURFACE HOLE FOOTAGE:	1810' FNL & 0820' FWL
BOTTOM HOLE FOOTAGE	1806' FNL & 0710' FWL
LOCATION:	Section 14, T. 26 S., R 31 E., NMPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☒ **Noxious Weeds**
- ☒ **Special Requirements**
 - Timing Stipulation (Active Raptor Nest)
 - Fence Crossing/Cattle Guard Requirement
 - Infrastructure Easement Requirement
 - Phantom Banks Heronry Area Requirement
- ☐ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
 - Cement Requirements
 - Logging Requirements
 - Waste Material and Fluids
- ☒ **Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- ☐ **Interim Reclamation**
- ☐ **Final Abandonment & Reclamation**

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

*There are known populations of African Rue on the existing road route to the well pad.

V. SPECIAL REQUIREMENT(S)

Timing Stipulation (Active Raptor Nest):

Contact a Wildlife Biologist at the Carlsbad BLM office at least 5 days prior to construction or reclamation. (575)234-5972

Oil and gas activities including construction, drilling, and fracturing operations will not be allowed during the period from March 15th through August 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and work-over operations will be allowed.

Fence Crossing/Cattle Guard Requirement

Fence

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway with H-braces prior to cutting. The operator shall notify the grazing allotment holder prior to crossing any fences.

Cattle Guards

An appropriately sized cattleguard sufficient to carry out the project shall be installed and maintained at fence/road crossings.

Any existing cattleguards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguards that are in place and are utilized during lease operations.

Infrastructure Easement Requirement

The infrastructure easement permitted in the APD must be maintained in a manner to prevent vehicle traffic upon the easement. Fence barricades are encouraged to prevent traffic.

Phantom Banks Heronry Area Requirement

Exhaust noise from engines and compressors must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

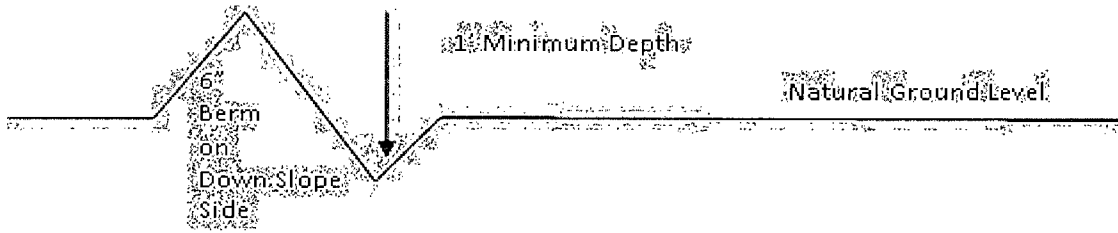
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outslowing and inslaping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

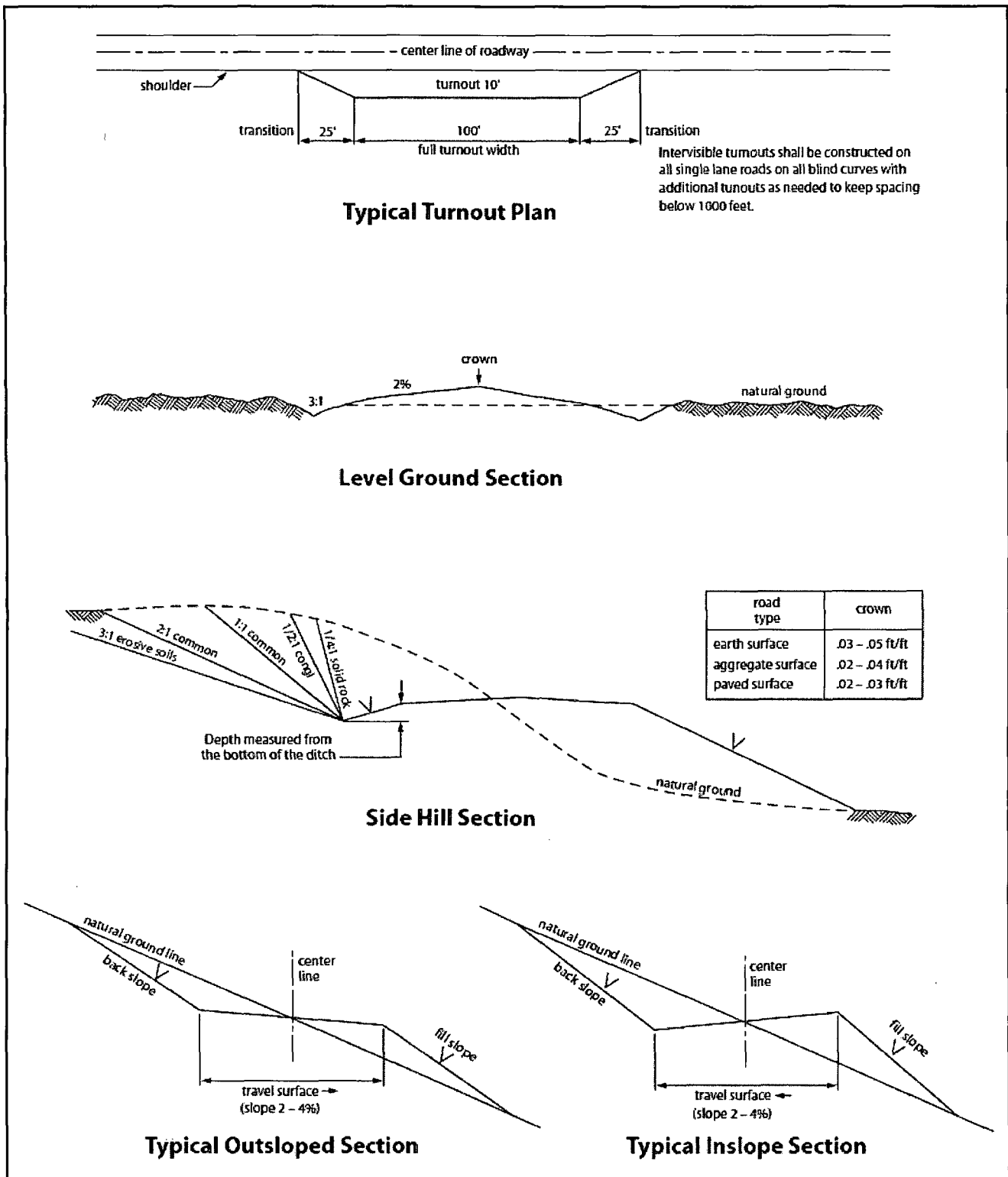


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
4. **The record of the drilling rate along with the GR/N well log run from TD to surface shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of water flows in the Castile, Delaware, and Bone Spring.

Possibility of lost circulation in the Rustler, Red Beds, and Delaware.

Abnormal pressures may be encountered near the base of the 2nd Bone Spring Sands.

1. The 13-3/8 inch surface casing shall be set at approximately **1387** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. **If salt is encountered, set casing at least 25 feet above the salt. Excess calculates to 8% - Additional cement may be required.**
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.

3. The minimum required fill of cement behind the 7 inch production casing is:
 - ☒ Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification.
4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. **Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi (Installing a 5M, testing to 2,000 psi)**.
 - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** intermediate casing shoe shall be **3000 (3M) psi (Installing a 5M, testing to 3,000 psi)**.

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
- a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
 - f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

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VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the

largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky or dune areas, the pipeline will be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of 24 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will

be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

STANDARD STIPULATIONS FOR BURIED PIPELINES

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting

Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be 45 feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|--|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input checked="" type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.

- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and

any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes with native soil.

IX. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

X. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by

drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	<u>lb/acre</u>
Sand dropseed (<i>Sporobolus cryptandrus</i>)	1.0
Sand love grass (<i>Eragrostis trichodes</i>)	1.0
Plains bristlegrass (<i>Setaria macrostachya</i>)	2.0

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed