

BLM Lease Number: NM-02887-A

Well Name & Number: James Ranch Unit #65

Operator: Bass Enterprises Production Co.

CONDITION OF APPROVAL FOR WIPP

Operators of wells within 330 feet of the Department of Energy's (DOE) Waste Isolation Pilot Plant (WIPP) boundary will be required to submit daily drilling reports (including borehole deviation survey results) to DOE for monitoring during drilling. If DOE determines that the drilling may have penetrated the vertical WIPP boundary, DOE will notify BLM and BLM will require the operator to cease drilling operations and conduct a directional survey. If DOE determines, based on the directional survey, that the boundary has been penetrated, the operator shall take the necessary steps to correct such condition before drilling may resume.