

HOBBS OCD

OCT 15 2012

OCD Hobbs

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

RECEIVED

NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. NM-108976

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

ROCA PRODUCTION, INC.

3a. Address

P. O. BOX 10139
MIDLAND, TEXAS 79702

3b. Phone No. (include area code)

432-683-6812

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

OUTLAW 22 FEDERAL # 1H

9. API Well No.

30-025-40725

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 1980' FEL SECTION-22 T20S-R33E LEA CO. NM

10. Field and Pool or Exploratory Area

TEAS-BONE SPRING

11. County or Parish, State

LEA CO. NEW MEXICO

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|------------------------------------------------------|-----------------------------------------------|-------------------------------------------|----------------------------------------------------|-----------------------------------------------------|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other CONSTRUCT |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | FRAC POND |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1. ROCA PRODUCTION, INC. proposes to construct a fresh water Frac Pond on 3.673 acres located in the NW/4 of the NE/4 of section 22 T20S-R33E Lea Co. New Mexico. The Frac Pond 400' X 400' outside measurments and 380' X 380' inside measurements. The Frac Pond will be used to complete The Roca Production, Inc. "Outlaw 22 Federal # 1H and any future wells to be diilled on this lease. This Frac Pond would be available to any wells to be drilledwithin 2 miles in order to reduce any further disturbance.

2. Top soil will be stored on the West side of Pond, a fence will be constructed in order to protect livestock and to prohibit any dumping of any produced water. Fresh water will be obtained locally and transported via transport trucks and poly pipeline. No new roads will be required for this Pond, existing roads will be used.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Joe T. Janica

Title Permit Eng.

Signature

Date 09/18/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Don Peterson

FIELD MANAGER

Title

Date

OCT 11 2012

Conditions of approval, if any, are attached. Approval of this notice 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.

Office CARLSBAD FIELD OFFICE

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.

(Instructions on page 2)

NOV 2 8 2012

Chm

SECTION 22, TOWNSHIP 20 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY NEW MEXICO

1/4 COR.
GLO "1912" B.C.

N89°30'10"E 724.0' (TIE)

N89°30'10"E 1919.4'

GLO "1912"
B.C.

15 14
22 23

P.O.B.

S00°00'00"E
45.5' (TIE)

N81°07'17"E 400.0'

S08°52'43"E 400.0'

N08°52'43"W 400.0'

PROPOSED
FRAC POND

S81°07'17"W 400.0'

OUTLAW 22 FED. COM #1H

S00°22'49"E 2641.5'

DESCRIPTION:

A FRAC POND SITUATED IN THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 20 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHEAST QUARTER, WHICH LIES N89°30'10"E ALONG THE NORTH LINE OF SAID SECTION A DISTANCE OF 724.0 FEET AND S00°00'00"E 45.5 FEET FROM THE NORTH QUARTER CORNER; THEN S08°52'43"E 400.0 FEET; THEN S81°07'17"W 400.0 FEET; THEN N08°52'43"W 400.0 FEET; THEN N81°07'17"E 400.0 FEET TO THE POINT OF BEGINNING, CONTAINING 3.673 ACRES MORE OR LESS.

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM, "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION. THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RONALD J. EIDSON

DATE: 09/07/2012

LEGEND

- ⊙ DENOTES FOUND CORNER AS NOTED
- DENOTES SET SPIKE NAIL

100 0 100 200 Feet
Scale: 1"=100'

ROCA PRODUCTION INC.

SURVEY FOR THE OUTLAW 22 FEDERAL COM #1H
WELL FRAC POND SITUATED IN THE NE/4 OF SECTION 22,
TOWNSHIP 20 SOUTH, RANGE 33 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO

Survey Date: 9/6/12

CAD Date: 9/11/12

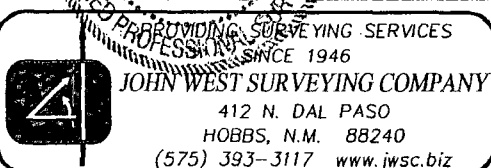
Drawn By: ACR

W.O. No.: 12111510

Rev:

Rel. W.O.:

Sheet 1 of 1



BLM LEASE NUMBER: NMNM108976
COMPANY NAME: Roca Production, LLC.
ASSOCIATED WELL NO. & NAME: Outlaw 22 Federal Com 1H

FRAC POND CONDITIONS OF APPROVAL

A copy of the Sundry Notice and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval 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 permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.

3. Required Standard Conditions of Approval:

- Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.
- The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer.
- If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly.
- Confine all construction and maintenance activity to the authorized area.
- Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer.
- Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.
- The frac pond will be lined.
- The operator shall stockpile topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion

- Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.
- The frac pond shall be fenced on all sides to prevent livestock and wildlife from entering the pond. The fence must be installed at the base of the berm.
- Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.
- The plastic lining will be removed prior to final abandonment
- Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:
 - Any roads approved for use with the pond
 - Surface water lines
 - Tanks, pumps, fencing etc.
- Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

5. 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.

6. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf 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.

7. 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.

8. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection – (575)234-5909, **prior** to beginning surface reclamation operations.

9. Seeding is required: Use 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"/> LPC mixture | <input type="checkbox"/> Aplomado Falcon mix |

10. The topsoil to be stripped is approximately _____ inches in depth.

11. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, 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.

12. Special Stipulations:

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.