

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY 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.
NM14492

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

SEP 29 2014

2. Name of Operator
BTA Oil Producers LLC

RECEIVED

3a. Address
104 S Pecos
Midland, TX 79701

3b. Phone No. (include area code)
432-682-3753

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

8. Well Name and No.
8105 JV-P Mesa #2H

9. API Well No.
30-025-41289

10. Field and Pool or Exploratory Area
Jennings; Upper Bone Spring Shale

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)
330' FNL & 430' FWL NWNW Sec. 11 265-32E

11. County or Parish, State
Lea Co., NM

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 <u>Frac Pond</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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.)

BTA respectfully requests approval for a frac pond to service our proposed 8105 JV-P Mesa #2H and 8105 JV-P Mesa #3H (30-025-41290).

Location plat and copy of cultural report (original provided directly to the BLM by Boone Archaeological Services).

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

Pam Inskeep

Title Regulatory Administrator

Signature

Pam Inskeep

Date 03/25/2014

KZ

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Stephen P. Bell

FIELD MANAGER

Title

Date

9/19/14

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.

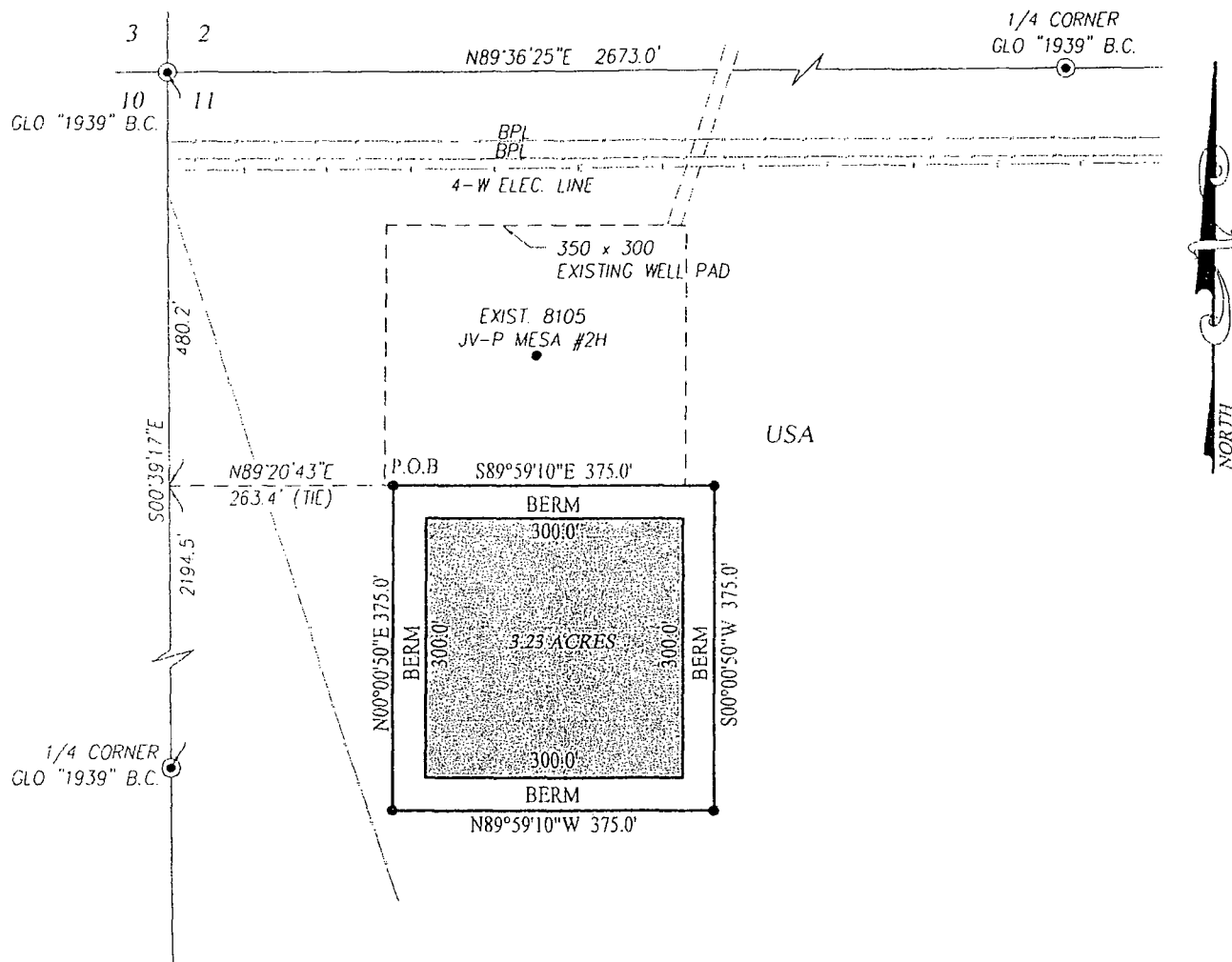
Office CARLSBAD FIELD OFFICE

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)

SEP 30 2014

fm



LEGEND

⊙ DENOTES FOUND CORNER AS NOTED

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, GARY G. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 12641, 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.

GARY G. EIDSON

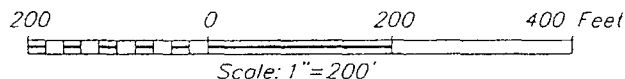
DATE:

2/26/14

DESCRIPTION:

A PROPOSED FRAC POND SITUATED IN THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 26 SOUTH, RANGE 32 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE PROPOSED FRAC POND WHICH LIES S00°39'17"E 480.2 FEET AND N89°20'43"E 263.4 FEET FROM THE NORTHWEST CORNER OF SAID SECTION; THEN S89°59'10"E 375.0 FEET; THEN S00°00'50"W 375.0 FEET; THEN N89°59'10"W 375.0 FEET; THEN N00°00'50"E 375.0 FEET TO THE POINT OF BEGINNING AND CONTAINING 3.23 ACRES MORE OR LESS.



BTA OIL PRODUCERS

SURVEY FOR 8105 JV-P MESA #2H & #3H FRAC POND
SITUATED IN THE NW/4 OF SECTION 11,
TOWNSHIP 26 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO

Survey Date: 2/13/14

CAD Date: 2/24/14

Drawn By: ACK

W.O. No.: 14110152

Rev: .

Rel. W.O.:

Sheet 1 of 1



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
417 N. DAL PASO HOBBS, N.M. 88240
(575) 393-3127 www.jwsc.biz
TBPLS# 10021000

NMCRIS No.: 130112

NMCRIS INVESTIGATION ABSTRACT FORM (NIAF)

1. NMCRIS Activity No.: 130112	2a. Lead Agency: US Bureau of Land Management Carlsbad Field Office	2b. Other Agency:	3. Lead Agency Report No.:
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4. Title of Report: Class III Archaeological Survey for BTA Oil Producers Proposed 8105 JV-P Mesa No. 2H and 3H Frac Pond Author: Stephen Smith	5. Type of Report <input checked="" type="checkbox"/> Negative <input type="checkbox"/> Positive
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6. Investigation Type

☐ Research Design ☒ Archaeological Survey/Inventory ☐ Architectural Survey/Inventory ☐ Test Excavation ☐ Excavation
☐ Collections/Non-Field Study ☐ Compliance Decision Based on Previous Inventory ☐ Overview/Lit Review ☐ Monitoring
☐ Ethnographic Study ☐ Site/Property Specific Visit ☐ Historic Structures Report ☐ Other

7. Description of Undertaking (what does the project entail?):

BTA Oil Producers plan to construct the proposed 8105 JV-P Mesa No. 2H and 3H frag pond. On March 12, 2014, Stephen Smith with Boone Arch Services of New Mexico, LLC conducted an intensive pedestrian cultural survey for the proposed frac pond. Although the frac pond was staked at 300 ft by 300 ft, a 100 ft cultural safety buffer was surveyed. The frac pond survey was 500 ft by 500 ft (5.74 acres). Because of interaction with a BLM previous survey (buried pipeline), a 100 ft by 600 ft area (1.38 acres) was deducted from the current survey acres for the frac pond. A total of 4.36 acres was surveyed, all of which is on land administered by the Bureau of Land Management-Carlsbad Field Office.

[] Continuation

8. Dates of Investigation: 12-Mar-2014	9. Report Date: 22-Mar-2014
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10. Performing Agency/Consultant: Boone Arch Services of New Mexico, LLC

Principal Investigator: Rebecca L. Hill

Field Supervisor: Stephen Smith

Field Personnel Names: Stephen Smith

Historian / Other:

11. Performing Agency/Consultant Report No.:

BASNM 02-14-48

12. Applicable Cultural Resource Permit No(s):

BLM: 190-2920-12-R
State: NM-14-157-S

NMCRIS No.: 130112

13. Client/Customer (project proponent):

BTA Oil Producers

Contact: Pam Inskeep

Address: 104 S. Pecos, Midland, TX 79701

Phone: (432) 682-3753

14. Client/Customer Project No.: N/A

15. Land Ownership Status (must be indicated on project map):

Land Owner (By Agency)

Acres Surveyed Acres in APE

US Bureau of Land Management Carlsbad Field Office	4.36	2.07
TOTALS	4.36	2.07

16. Records Search:

Date of HPD/ARMS File Review: 3-11-14	Name of Reviewer: Stephen Smith
Date of Other Agency File Review: 3-11-14	Name of Reviewer: Stephen Smith Agency: (BLM-CFO) Bruce Boeke

17. Survey Data:

a. Source Graphics [] NAD 27 [X] NAD 83 Note: NAD 83 is the NMCRIS standard.

☒ USGS 7.5' (1:24,000) topo map ☐ Other topo map, Scale:

☒ GPS Unit Accuracy ☐ <1.0m ☐ 1-10m ☒ 10-100m ☐ >100m

☐ Aerial Photo(s)

Other Source Graphic(s):

b. USGS 7.5' Topographic Map Name

USGS Quad Code

Paduca Breaks West, NM (1973)	32103-A6
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c. County: Lea

d. Nearest City or Town: Jal, New Mexico

e. Legal Description:

Township (N/S)

Range (E/W)

Section

26 South	32 East	11
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Projected legal description? [] Yes [] No [] Unplatted

f. Other Description (e.g. well pad footages, mile markers, plats, land grant name, etc.):

Plats for the proposed frac pond were submitted by BTA Oil Producers.

[] Continuation

18. Survey Field Methods:

Intensity: ☒ 100% coverage

☐ <100% coverage

Configuration: ☐ block survey units

☐ linear survey units (l x w):

NMCRIS No.: 130112

☐ other survey units (specify):

Scope: ☒ non-selective (all sites/properties recorded) ☐ selective/thematic (selected sites/properties recorded)

Coverage Method: ☒ systematic pedestrian coverage

☐ other method (describe):

Survey Interval (m): 15 Crew Size: 1 Fieldwork Dates: 12-Mar-2014

Survey Person Hours: 2.50 Recording Person Hours: 0.00 Total Hours: 2.50

Additional Narrative:

The corners for the proposed 300 ft by 300 ft frac pond were staked. An approximate 100 ft cultural buffer was surveyed around the entire staked block.

[] Continuation

19. Environmental Setting (NRCS soil designation; vegetative community; elevation; etc.):

Topography: Slight southeasterly slope, deep sand, south margin of Paduca Breaks, approximately 0.50 miles north of Red Hills Draw

Elevation: 3,240 ft

Vegetation: Shin oak, mesquite, prickly pear, & various grasses

Visibility: 55-65 percent due to vegetative cover

NRCS: Pyote-Maljamar-Kermit association: Gently undulating and rolling, deep, sandy, soils

[] Continuation

20.a. Percent Ground Visibility: 55-65 percent b. Condition of Survey Area (grazed, bladed, undistributed, etc.):

The project area has been disturbed by a buried pipeline and cattle grazing.

[] Continuation

21. CULTURAL RESOURCE FINDINGS ☐ Yes, see next report section

☒ No, discuss why:

Two isolated manifestations were encountered and recorded. See page 5

[] Continuation

22. Attachments (check all appropriate boxes):

☒ USGS 7.5 Topographic Map with sites, isolates, and survey area clearly drawn (required)

☒ Copy of NMCRIS Map Check (required)

[] LA Site Forms - new sites (with sketch map & topographic map) if applicable

[] LA Site Forms (update) - previously recorded & un-relocated sites (first 2 pages minimum)

[] Historic Cultural Property Inventory Forms, if applicable

☒ List and Description of Isolates, if applicable

[] List and Description of Collections, if applicable

23. Other Attachments:

[] Photographs and Log

[] Other Attachments
(Describe)

24. I certify the information provided above is correct and accurate and meets all applicable agency standards.

Principal Investigator/Qualified Supervisor: Printed Name: Rebecca L. Hill

Signature: Stephen Smith Date: 3-23-14 Title: Field Supervisor

25. Reviewing Agency

Reviewer's Name/Date:

Accepted []

Rejected []

26. SHPO

Reviewer's Name/Date:

HPD Log #:

Date sent to ARMS:

CULTURAL RESOURCE FINDINGS

[fill in appropriate section(s)]

SURVEY RESULTS:

Archaeological Sites discovered and registered: 0

Archaeological Sites discovered and NOT registered: 0

Previously recorded archaeological sites revisited (site update form required): 0

Previously recorded archaeological sites not relocated (site update form required): 0

TOTAL ARCHAEOLOGICAL SITES (visited & recorded): 0

Total isolates recorded: 2

☐ Non-selective isolate recording?

HCPI properties discovered and registered: 0

HCPI properties discovered and NOT registered: 0

Previously recorded HCPI properties revisited: 0

Previously recorded HCPI properties not relocated: 0

TOTAL HCPI PROPERTIES (visited & recorded, including acequias): 0

MANAGEMENT SUMMARY:

Because no significant cultural resources were encountered during this survey, BTA Oil Producers proposed frac pond is recommended as presently staked. If cultural resources are encountered during any construction related activity, construction should cease and an archaeologist with the BLM-CFO should be immediately notified.

[] Continuation

IF REPORT IS NEGATIVE, YOU ARE DONE AT THIS POINT.

SURVEY LA/HCPI NUMBER LOG

Sites/Properties Discovered:

LA/HCPI No. Field/Agency No.

Eligible? (Y/N/U, applicable criteria)

NMCRIS No.: 130112

Previously recorded revisited sites/HCPI properties:

LA/HCPI No. Field/Agency No.

Eligible? (Y/N/U, applicable criteria)

MONITORING LA NUMBER LOG (site form required)

Sites Discovered (site form required):

Previously recorded sites (site update form required):

LA No. Field/Agency No.

LA No. Field/Agency No.

Areas outside known nearby site boundaries monitored? [] Yes

[] No, Explain
why:

TESTING & EXCAVATION LA NUMBER LOG (site form required)

Tested LA number(s)

Excavated LA number(s)

Records Search:

Date of ARMS File Review: 3-11-14	Name of Reviewer: Stephen Smith	Online search /ARMS GIS maps
Date of NR/SR File Review:	Name of Reviewer:	
Date of Other Agency File Review : 3-11-14	Name of Reviewer: Stephen Smith	Agency: BLM-CFO

Findings: During the course of the pre-field research for this project it was learned that one previously recorded site is plotted within ¼ mile of the project area, LA 128177. No previously recorded sites are plotted within 500 ft of the proposed frac pond.

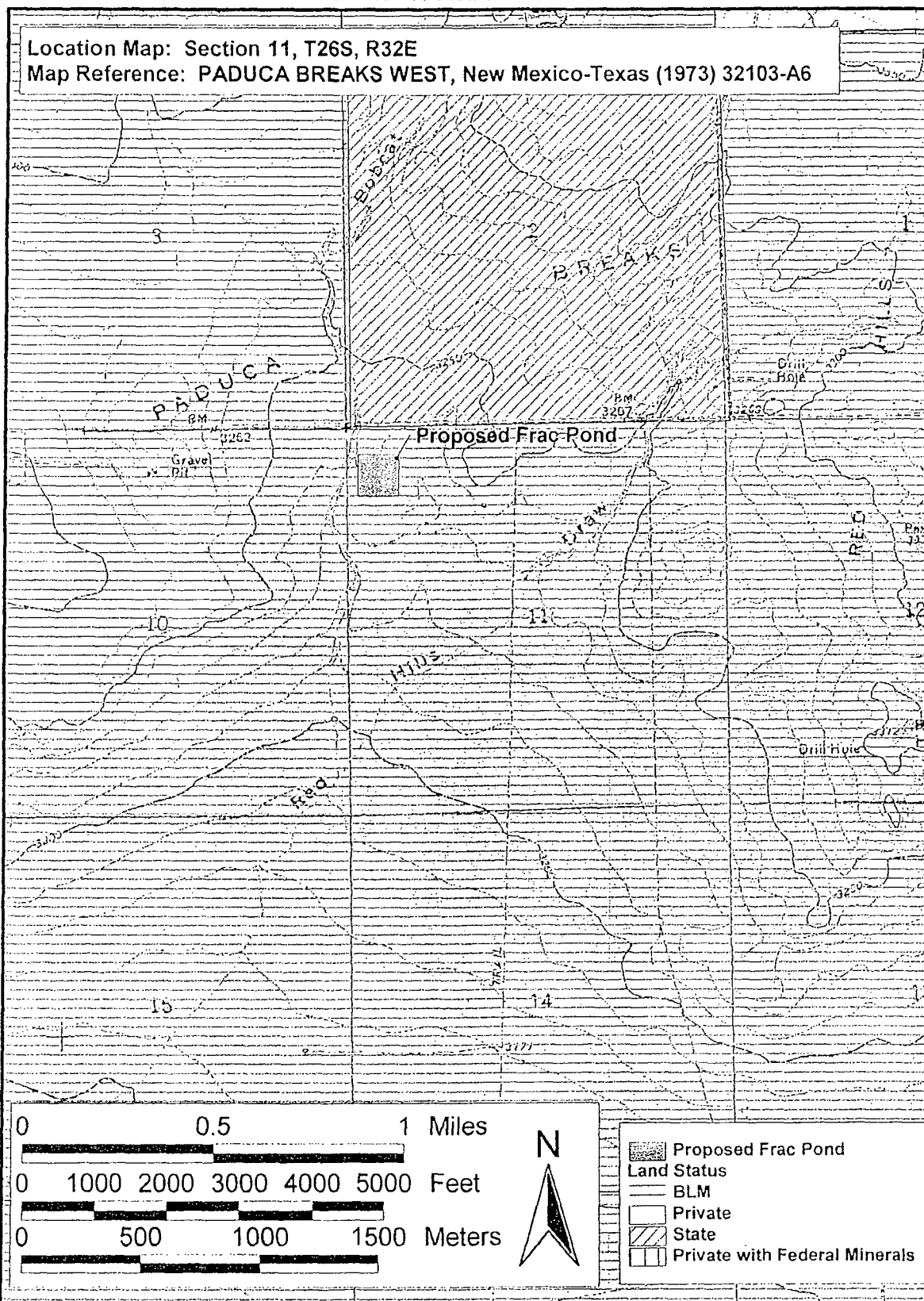
Table-Previously Recorded Sites

LA Number	Cultural/Temporal Period	Eligibility
LA 128177	ARMS- Unknown Aboriginal (9500 BC-1880 AD) BLM- Unknown Aboriginal (no dates/phases)	No Determination Eligible

Survey for BTA Oil Producers' Proposed 8105 JV-P Mesa No. 2H and No. 3H Frac Pond

Location Map: Section 11, T26S, R32E

Map Reference: PADUCA BREAKS WEST, New Mexico-Texas (1973) 32103-A6



BASNM 02-14-48

HOBBS OCD

12-36

JUL 23 2013 OCD Hobbs

Form 3160-3
(February 2005)FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

RECEIVED
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 14492
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name ---
2. Name of Operator BTA Oil Producers, L.L.C.		7. If Unit or CA Agreement, Name and No. ---
3a. Address 104 S. Pecos Midland, TX 79701	3b. Phone No. (include area code) (432) 682-3753	8. Lease Name and Well No. 8105 JV-P/Mesa 2H
4. Location of Well (Repeat location clearly and in accordance with any State requirements) At surface 330' FNL & 430' FWL NWNW Sec. 11 At proposed prod. zone 330' FSL & 430' FWL SWSW Sec. 11		9. API Well No. 30-025-41289
14. Distance in miles and direction from nearest town or post office* 25 miles west from Jal, NM		10. Field and Pool, or Exploratory Jennings; Upper Bone Spring Shale
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'		11. Sec., T. R. M. or Blk and Survey or Area Sec. 11, T26S-R32E
16. No. of acres in lease 1960		12. County or Parish Lea
17. Spacing Unit dedicated to this well 160 acres		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 11314' BHL to BHL		20. BLM/BIA Bond No. on file NM1195 NMB000849
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3242' GL		22. Approximate date work will start* 05/01/2013
23. Estimated duration 45 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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Pam Inskeep</i>	Name (Printed/Typed) Pam Inskeep	Date 01/02/2013
Title Regulatory Administrator		

Approved by (Signature) <i>/s/George MacDonell</i>	Name (Printed/Typed)	Date JUL 16 2013
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.

APPROVAL FOR TWO YEARS

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)

Carlsbad Controlled Water Basin

OPERATOR WILL BE USING A CLOSED-LOOP SYSTEM

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

JUL 31 2013 *dm*

K2
07/26/13
Approval Subject to General Requirements
& Special Stipulations Attached

OCD Hobbs
HOBBS OCD

13-37

Form 3160-3
(February 2005)

JUL 23 2013

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 14492
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name ---
2. Name of Operator BTA Oil Producers, LLC		7. If Unit or CA Agreement, Name and No. ---
3a. Address 104 S. Pecos Midland, TX 79701		8. Lease Name and Well No. 8105 JV-11 Mesa #3H
3b. Phone No. (include area code) (432) 682-3753		9. API Well No. 30-025-41280
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 265' FSL & 205' FWL SWSW Sec. 1 At proposed prod. zone 330' FNL & 430' FWL NWNW Sec. 1		10. Field and Pool, or Exploratory Jennings; Upper Bone Spring Shale
11. Sec., T. R. M. or Blk. and Survey or Area Sec. 1, T26S-R32E		12. County or Parish Lea
13. State NM		14. Distance in miles and direction from nearest town or post office* 25 miles west from Jai, NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 205'	16. No. of acres in lease 1960	17. Spacing Unit dedicated to this well 160 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 11314' BHL to BHL	19. Proposed Depth 14,119' MD 9,540' TVD	20. BLM/BIA Bond No. on file NM1195 NMB000849
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3280' GL	22. Approximate date work will start* 06/15/2013	23. Estimated duration 45 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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Pam Inskeep</i>	Name (Printed/Typed) Pam Inskeep	Date 01/02/2013
Title Regulatory Administrator		

Approved by (Signature) /s/George MacDonell	Name (Printed/Typed)	Date JUL 16 2013
Title FIELD MANAGER		Office CARLSBAD FIELD OFFICE

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*(Instructions on page 2)

Carlsbad Controlled Water Basin

OPERATOR WILL BE USING A CLOSED-LOOP SYSTEM

Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

JUL 31 2013

BLM LEASE NUMBER: NM14492

COMPANY NAME: BTA Oil Producers, LLC

ASSOCIATED WELL NAME: 8105 JV-P Mesa 2H & 3H

FRAC POND CONDITIONS OF APPROVAL

A copy of the application (APD, Grant, or 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:

a. Notification

Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.

b. Freshwater Only

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 in writing.

c. Contamination

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. The operator will preclude releases of oil into open pits. The operator must remove any accumulation of oil, condensate, or contaminant in a pit within 48 hours of discovery.

d. Authorized Disturbance

Confine all construction and maintenance activity to the approved authorized area applied for in the application.

e. Facilities

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations. Grey-water, sewage, and trash shall be removed from the site and disposed of properly at a state approved facility.

f. Escape Ramps

The operator will construct and maintain frac ponds 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 frac ponds. Escape ramps must be installed at every corner of

the frac pond and in the center of each side if that side exceeds 100 feet in length. Escape ramps must be in contact with the side of the frac pond, bottom of the frac pond, and the top of the frac pond berm. Escape ramps cannot be made of metal and cannot be steeper than a 3:1 slope (Horizontal Distance: Vertical Distance) or 30% slope. (*Examples of escape ramps: 12" wide wooden planks wrapped in matting, felt lining, etc.*)

g. Frac Pond Pipelines

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 in writing.

h. Mineral Material from Excavation

Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.

i. Frac Pond Liner

The frac pond will be lined with at least a 30 mil. plastic liner. The plastic lining will be removed prior to final abandonment.

j. Topsoil Stockpile

The operator shall strip at least the top 6 inches of soil (root zone) from the entire frac pond area and stockpile the 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.

k. Frac Pond Fence

The operator will install and maintain enclosure fencing on all sides of the frac pond to prevent access to public, livestock, and large forms of wildlife. The fence shall be installed at the base of the berm and never on top of the berm.

Construction of the fence shall consist of steel and/or wooden posts set firmly into natural ground. Hog panel or chain-link fencing must be used as the fence and tied securely to the fence posts. Barbed-wire fencing or electric fences shall not be used. The fence height shall not be shorter than six (6) feet. The erected fence shall be maintained in adequate condition until the frac pond is reclaimed.

l. Erosion Prevention

Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.

m. Reclamation Start

- I. Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- II. 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:
 - i. Any roads approved for use with the pond
 - ii. Surface water lines
 - iii. Tanks, pumps, fencing etc.

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.

Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting therefrom, 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. 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.

6. 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.

7. 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.

8. 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 |

Temporary Freshwater Pipelines (Drilling and Fracturing Operations)
CONDITIONS OF APPROVAL

Maintain a copy of your temporary permit and your approved route diagram on location. 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. Standard Conditions of Approval:
 - Pipelines must be removed within 30-45 days from this route unless granted in writing by the authorized officer.
 - Pipelines will be placed not farther than 5 to 10 feet off the edge of existing oil and gas maintained roads or other maintained roads.
 - Areas impacted (disturbed greater than vegetation compaction) by your project will require full reclamation.
 - Pipelines will be empty before disassembly. Flow water back to the designated holding area.
 - Do not restrict traffic on existing roads. Place ramps where needed on existing access roads.
 - All pumps and other equipment must be placed on existing surfaced areas (pads, roads, etc.).
3. 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.
4. Special Stipulations: