

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD Hobbs
HOBBS OCD

JUN 16 2014

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.
NM NM 112939

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
Adventure Exploration Partners II LLC.3a. Address
500 W. Texas Ave. Suite 1000
Midland, TX 797013b. Phone No. (include area code)
432-684-80064. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 700' FSL & 890' FEL
BHL: 330' FNL & 660' FEL
11-22S-33E

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

8. Well Name and No.
Bevo 11 Federal #4H9. API Well No.
30-025-4180410. Field and Pool or Exploratory Area
[28432] Grama Ridge; Bone Spring W11. County or Parish, State
Lea

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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.)

Adventure Exploration Partners II LLC is requesting to begin new construction on the Frac pond for the Bevo 11 Federal #4H and the access road to the Frac pond. The Frac pond is located in section 12, North and East approximately one mile from the Bevo 11 Federal #4H surface hole location. The Frac pond will serve as a working frac pond for all new drill wells in sections 11 & 12. Access to the Frac pond will come from an abandoned location in the S/2 of section 12, extending North then branching West and East to presently staked locations. Adventure Exploration Partners II LLC is currently working on building the Bevo 11 Federal #4H Location and lease road. Construction will begin on the Frac pond as well as access road as soon as BLM approves.

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

Title Geologist

Signature

Date 05/21/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Steve Caffey

FIELD MANAGER

MAY 30 2014

Title

Date

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.

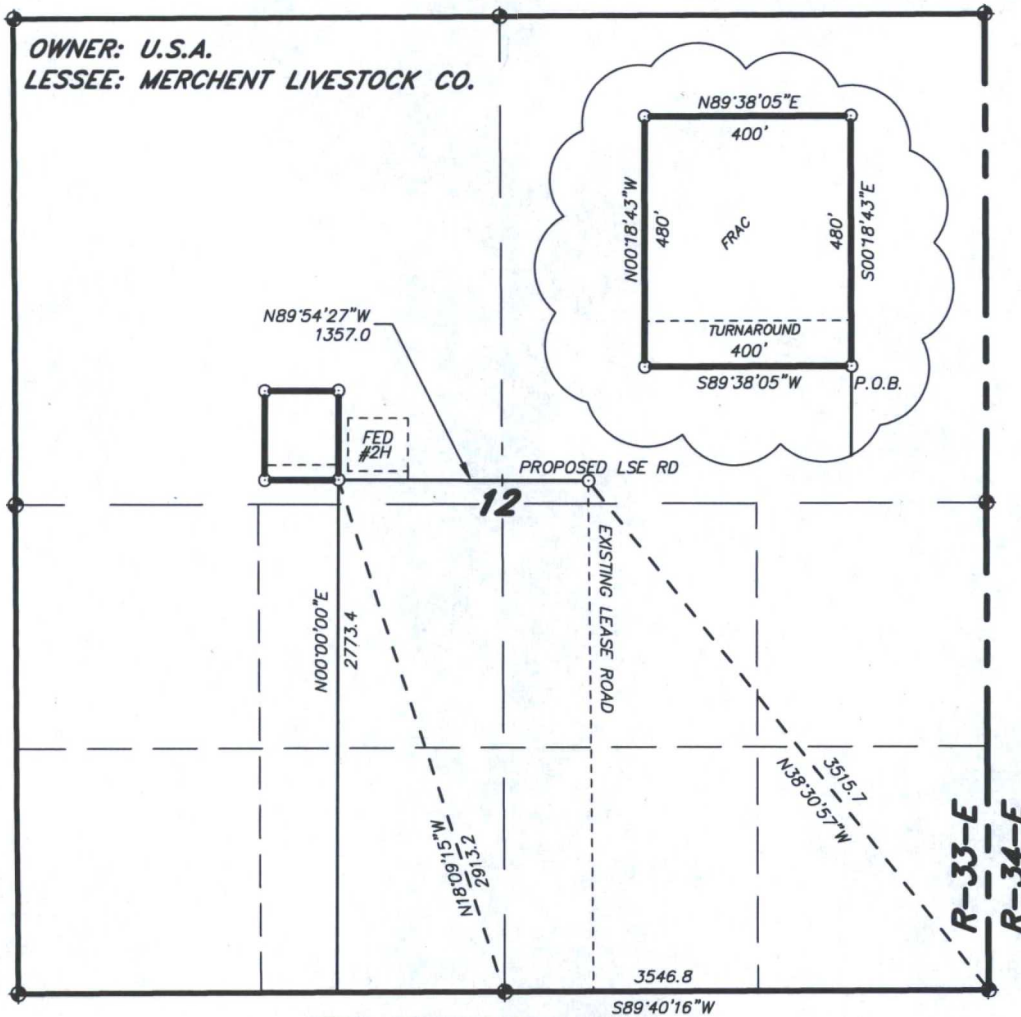
(Instructions on page 2)

FOR RECORD ONLY 6/16/14 NMOLD-DIST 1

MAR 11 2016

SECTION 12, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

OWNER: U.S.A.
LESSEE: MERCHANT LIVESTOCK CO.



LEGAL DESCRIPTION - TRACT

A TRACT OF LAND LOCATED IN SECTION 12, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.89°40'16"W., 3546.8 FEET AND N.00°00'00"E., 2773.4 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE S.89°38'05"W., 400.0 FEET; THENCE N.00°18'43"W., 480.0 FEET; THENCE N.89°38'05"E., 400.0 FEET; THENCE S.00°18'43"E., 480.0 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND BEING 4.41 ACRES, MORE OR LESS.

LEGAL DESCRIPTION - LEASE ROAD

A STRIP OF LAND 14.0 FEET WIDE, LOCATED IN SECTION 12, TOWNSHIP 22 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 7.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 12 = 1357.0 FEET = 82.24 RODS = 0.26 MILES = 0.44 ACRES

I HEREBY CERTIFY THAT THIS SURVEY WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES, P.S. No. 7977
LEA COUNTY, NEW MEXICO No. 5074

1000 0 1000 2000 FEET

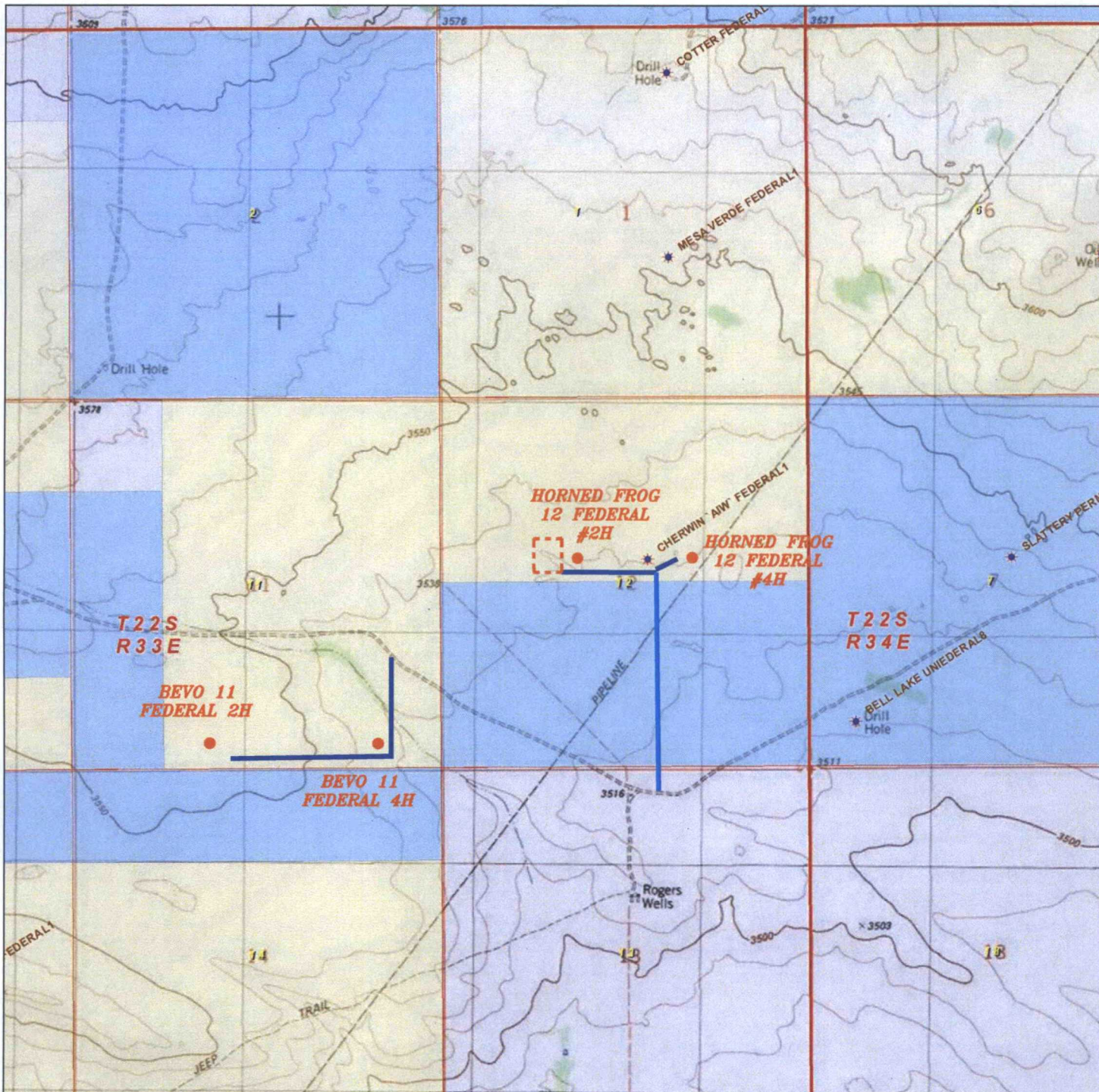
ADVENTURE EXPLORATION PARTINERS II, LLC

REF: PROPOSED FRAC POND AND LEASE ROAD

A TRACT OF LAND LOCATED ON USA LAND IN
SECTION 12, TOWNSHIP 22 SOUTH, RANGE 33 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

basin surveys
focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com



PROPOSED FRAC POND AND LEASE ROAD
 Section 12, Township 22 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

0' 1000' 2000' 3000' 4000'

SCALE: 1" = 2000'

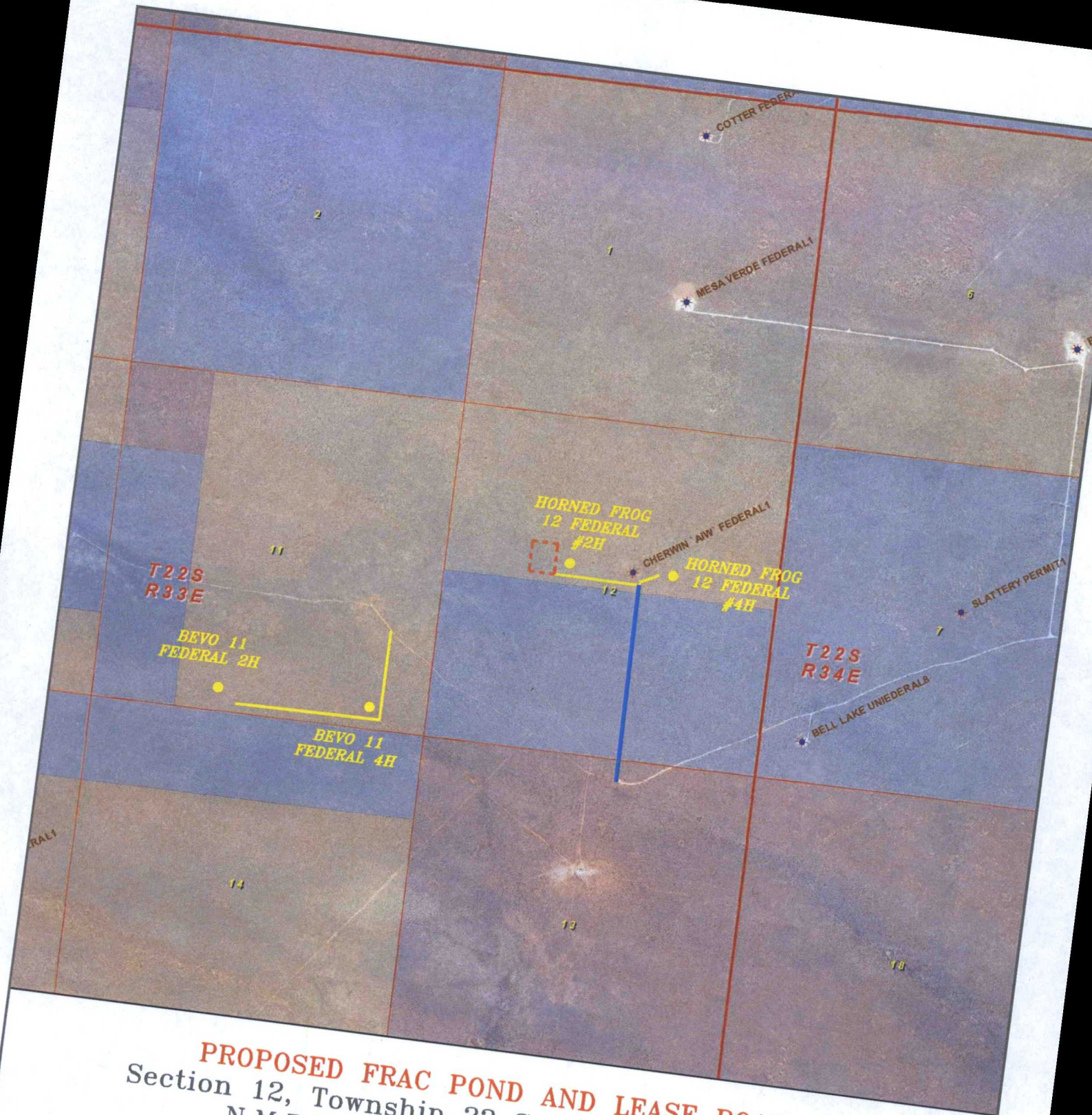
W.O. Number: KAN 29051

Survey Date: 10-25-2013

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - USA LAND



**ADVENTURE
 EXPLORATION
 PARTNERS II,
 LLC**



PROPOSED FRAC POND AND LEASE ROAD
 Section 12, Township 22 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

0' 1000' 2000' 3000' 4000'
 SCALE: 1" = 2000'
 W.O. Number: KAN 29051
 Survey Date: 10-25-2013
 YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - USA LAND

ADVENTURE
EXPLORATION
PARTNERS II,
LLC

NMCRIS No.: 128562

NMCRIS INVESTIGATION ABSTRACT FORM (NIAF)

1. NMCRIS Activity No.: 128562	2a. Lead Agency: US Bureau of Land Management Carlsbad Field Office	2b. Other Agency(ies):	3. Lead Agency Report No.:
--	---	-------------------------------	-----------------------------------

4. Title of Report: A Class III Archaeological Survey for Adventure Exploration, LLC's Horned Frog 12 Federal #2H Well Pad, Frac Pond, Turn Around, and Access Road Author(s) Hill, Rebecca L., Joshua Broxson	5. Type of Report <input checked="" type="checkbox"/> Negative <input type="checkbox"/> Positive
---	---

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?):

A pedestrian cultural resource survey was conducted on 29 August 2013 for Adventure Exploration, LLC's Horned Frog 12 Federal #2H Well Pad, Frac Pond, Turn Around, and Access Road. The proposed project area lies entirely on federal lands managed by the Bureau of Land Management/Carlsbad Field Office (BLM/CFO) in Section 12 of T22S R33E in Lea County, NM. Survey for the well pad, frac pond, and turn around was conducted using 15 m transects across a block measuring 445 ft. x 600 ft. and a block measuring 640 ft. x 680 ft. A portion of the access road measuring 575 ft. fell within the block surveys. The remaining 832 ft. of access road were surveyed using 15 m parallel transects, one on both sides of the staked centerline. The survey measures 18.03 acres. The Area of Potential Effect measures 285 ft. x 325 ft., 400 ft. x 400 ft., 80 ft. x 400 ft., and 1,407 ft. x 30 ft. (326,835 sq. ft.) or 7.50 acres. No archaeological sites were recorded or updated and no isolated occurrences were encountered.

[] Continuation

8. Dates of Investigation: from: 29-Aug-2013 to: 29-Aug-2013	9. Report Date: 30-Aug-2013
--	------------------------------------

10. Performing Agency/Consultant: Boone Arch Svcs of NM

Principal Investigator: Rebecca L. Hill

Field Supervisor: Rebecca L. Hill

Field Personnel Names: Rebecca L. Hill
Hans W. Schmid III

Historian / Other:

11. Performing Agency/Consultant Report No.:
BASNM 07-13-54

12. Applicable Cultural Resource Permit No(s):
BLM Permit No.: 190-2920-12-S
New Mexico State Permit No.: NM-13-157-S

NMCRIS No.: 128562

13. Client/Customer (project proponent):

Adventure Exploration, LLC

Contact: Keaton Waters

Address: 500 W. Texas Ave., Suite 1000, Midland, TX 79701

Phone: 432-684-8006

14. Client/Customer Project No.:

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	18.03	7.50
TOTALS	18.03	7.50

16. Records Search(es):

Date(s) of HPD/ARMS File Review: 14 Aug 2013	Name of Reviewer(s): J. Broxson	
Date(s) of Other Agency File Review: 14 Aug 2013	Name of Reviewer(s): J. Broxson	Agency: BLMCFO

17. Survey Data:

a. Source Graphics ☐ NAD 27 ☐ 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

Grama Ridge, NM	32103-D5
-----------------	----------

c. County(ies): LEA

d. Nearest City or Town: Jal, NM

e. Legal Description:

Township (N/S)

Range (E/W)

Section

22S	33E	12
-----	-----	----

Projected legal description? ☐ Yes ☒ No ☐ Unplatted

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

2,310 ft. FNL, 1,980 ft. FSL

☐ Continuation

18. Survey Field Methods:

Intensity:

☒ 100% coverage ☐ <100% coverage

NMCRIS No.: 128562

Configuration: ☒ block survey units ☒ linear survey units (l x w): 832 ft. x 100 ft.
☐ 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: 2 Fieldwork Dates: from: 29-Aug-2013 to: 29-Aug-2013

Survey Person Hours: 4.00 Recording Person Hours: 0.00 Total Hours: 4.00

Additional Narrative:

There are no previously recorded archaeological sites within 1 mile of the project area.

[] Continuation

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

According to the Natural Resources Conservation Service online database, the project area soils consist of Pyote and Maljamar fine sands. The loamy sands of the Pyote-Maljamar soil support a grassland community. Usually, black grama, dropseeds, and bluestems dominate the landscape. Shrubs such as shinnery oak and mesquite are also common to this soil. The current vegetative community consists of shinnery oak, mesquite, broom snakeweed, prickly pear, pencil cholla, winterfat, soapweed yucca, and buckwheat. The project area is situated in the San Simon Swale 3 miles south of Grama Ridge and 5 miles northeast of Antelope Ridge. The Pecos River is approximately 40 miles to the west. The project elevation is 3,530 ft. above mean sea level.

[] Continuation

20.a. Percent Ground Visibility: 80% - 85% **b. Condition of Survey Area (grazed, bladed, undistributed, etc.):**

The project area lies to the west of an abandoned well pad. A buried pipeline running northeast/southwest lies to the southeast of the project area.

[] Continuation

21. CULTURAL RESOURCE FINDINGS

☐ Yes, see next report section

☒ No, discuss why:

No cultural resources were recorded or updated during this survey. It is uncertain why aboriginal peoples did not inhabit this area.

[] 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): BLM Map

NMCRIS No.: 128562

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:

Rebecca Hill

Date:

3 Sep 2013

Title: Principal Investigator

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: 0

☒ 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:

No cultural materials were recorded or updated during the survey. Therefore, the project is recommended for approval as staked. If any cultural materials are encountered during construction, work should be halted and archaeologists with BLM/CFO should be notified immediately.

[] 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.: 128562

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)

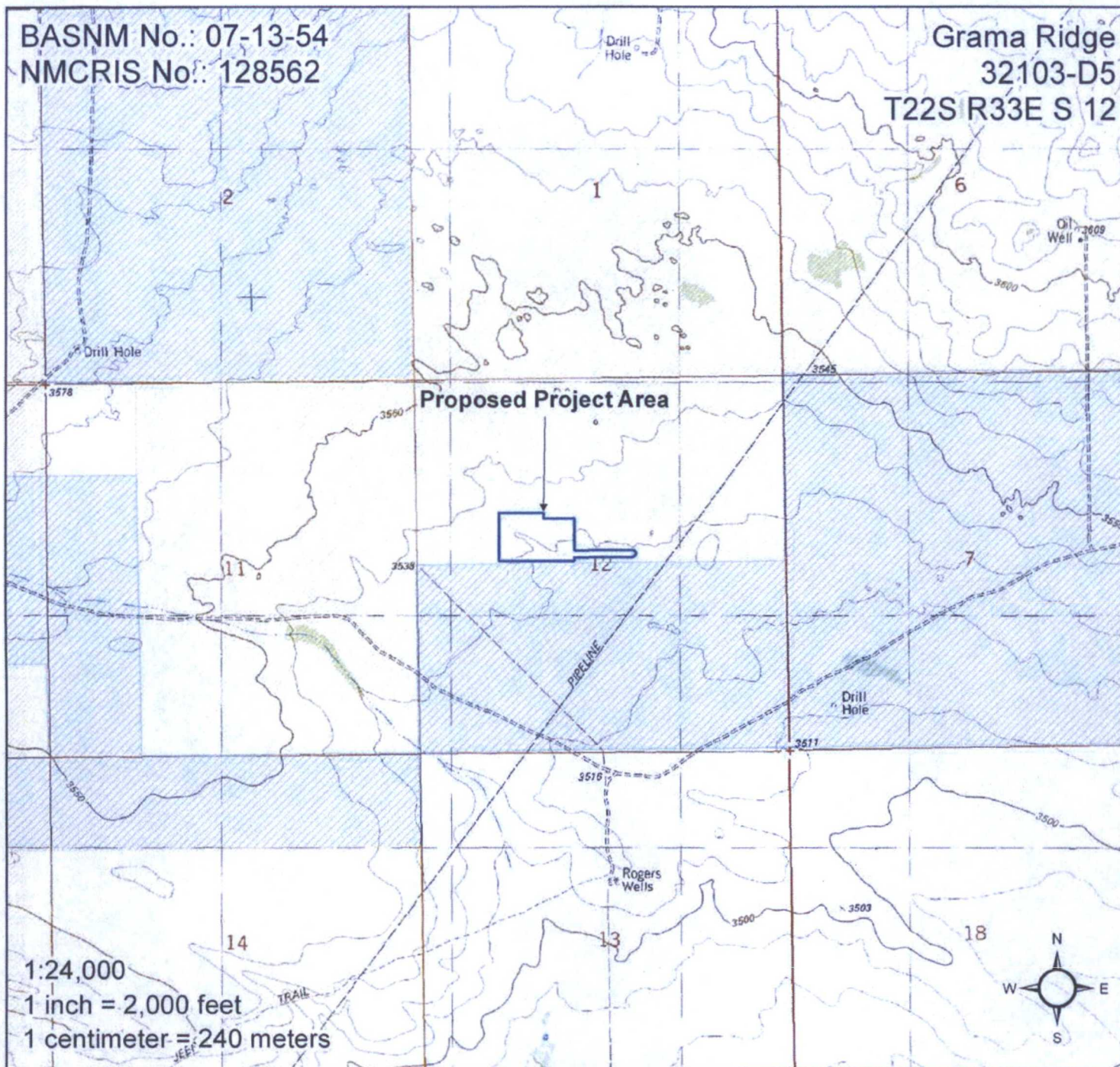
Tested LA number(s)

Excavated LA number(s)

Adventure Exploration, LLC
Proposed Horned Frog 12 Fed #2H
Well Pad, Frac Pand, Turn Around & Access Road

BASNM No.: 07-13-54
NMCRIS No.: 128562

Grama Ridge
32103-D5
T22S R33E S 12



Legend

- ☐ Proposed Project Area
 ☐ BLM
 ☐ BOI
 ☐ NM State Game and Fish

 ☐ BOR
 ☐ NPS
 ☐ NM State Park

 ☐ DOE
 ☐ Private

 ☐ Forest Service
 ☐ NM State Trust Lands

HOBBS OCD

JUN 16 2014

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240
Phone (505) 993-6161 Fax: (505) 398-0720

DISTRICT II

811 S. First St., Artesia, NM 88210
Phone (505) 748-1293 Fax: (505) 748-9720

DISTRICT III

1000 Rio Brazos Rd., 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) 476-3462State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name HORNED FROG 12 FEDERAL	Well Number 2H
OGRID No.	Operator Name ADVENTURE EXPLORATION LLC	Elevation 3530'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	12	22 S	33 E		2310	NORTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	1	22 S	33 E		2310	NORTH	1980	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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

PROPOSED BOTTOM HOLE LOCATION
 Lat - N 32°25'18.04"
 Long - W 103°31'41.75"
 NMSPCE- N 789756.7
 E 518071.4
 (NAD-83)

SURFACE LOCATION
 Lat - N 32°24'25.75"
 Long - W 103°31'41.71"
 NMSPCE- N 789799.6
 E 512787.3
 (NAD-83)

OPERATOR CERTIFICATION
 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 unleased 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.

Signature _____ Date _____

Printed Name _____

Email Address _____

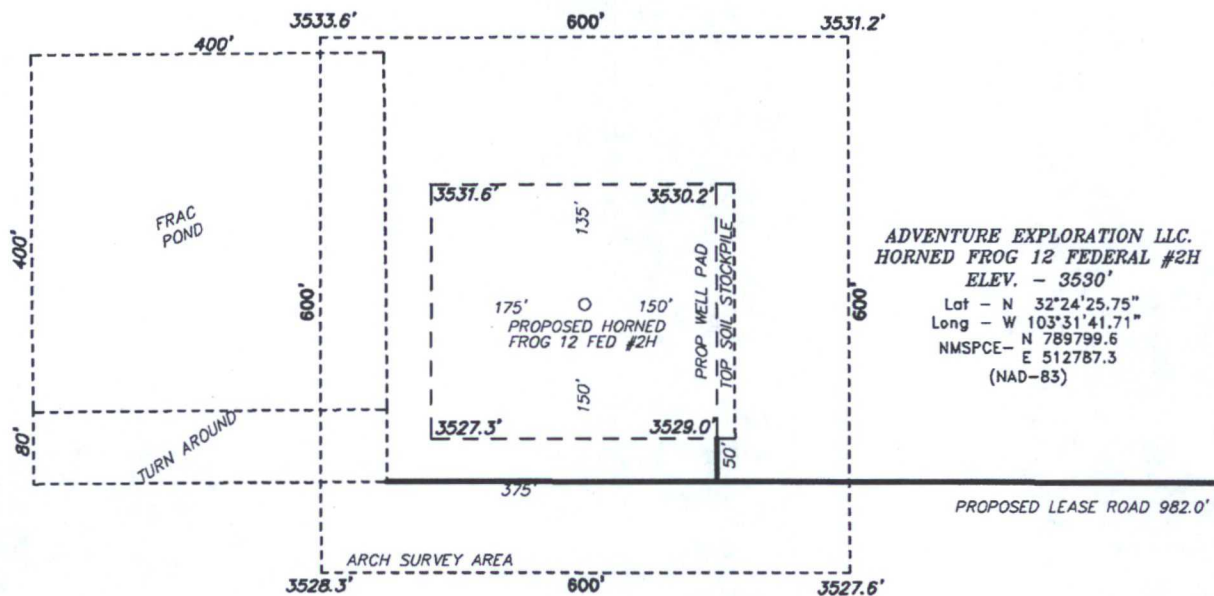
SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

Date Surveyed AUGUST 12 2013
 Signature Gregory L. Jones
 Professional Surveyor
 7977

W.O. No. 29051
 Certificate No. Gregory L. Jones 7977

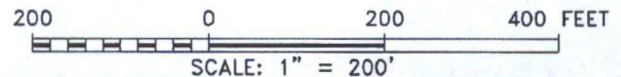
BASIN SURVEYS **29051**

Section 12, Township 22 South, Range 33 East, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



ADVENTURE EXPLORATION LLC.
HORNED FROG 12 FEDERAL #2H
ELEV. - 3530'
Lat - N 32°24'25.75"
Long - W 103°31'41.71"
NMSPCE- N 789799.6
E 512787.3
(NAD-83)

EUNICE, NM IS ±25 MILES TO THE NORTHEAST OF LOCATION.



Directions to Location:

FROM EUNICE TRAVEL WEST ON HWY 176 FOR 16.0
MILES; TURN LEFT ON COUNTY ROAD 30 FOR 8.8
MILES; TURN RIGHT ONTO LEASE ROAD FOR 0.6
MILES TO PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 29051 Drawn By: K. NORRIS

Date: 08-15-2013 Disk: KAN 29051

ADVENTURE EXPLORATION LLC.

REF: HORNED FROG 12 FEDERAL #2H / WELL PAD TOPO

THE HORNED FROG 12 FEDERAL #2H LOCATED 2310' FROM

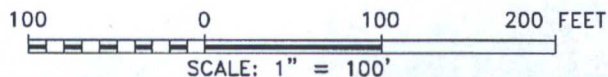
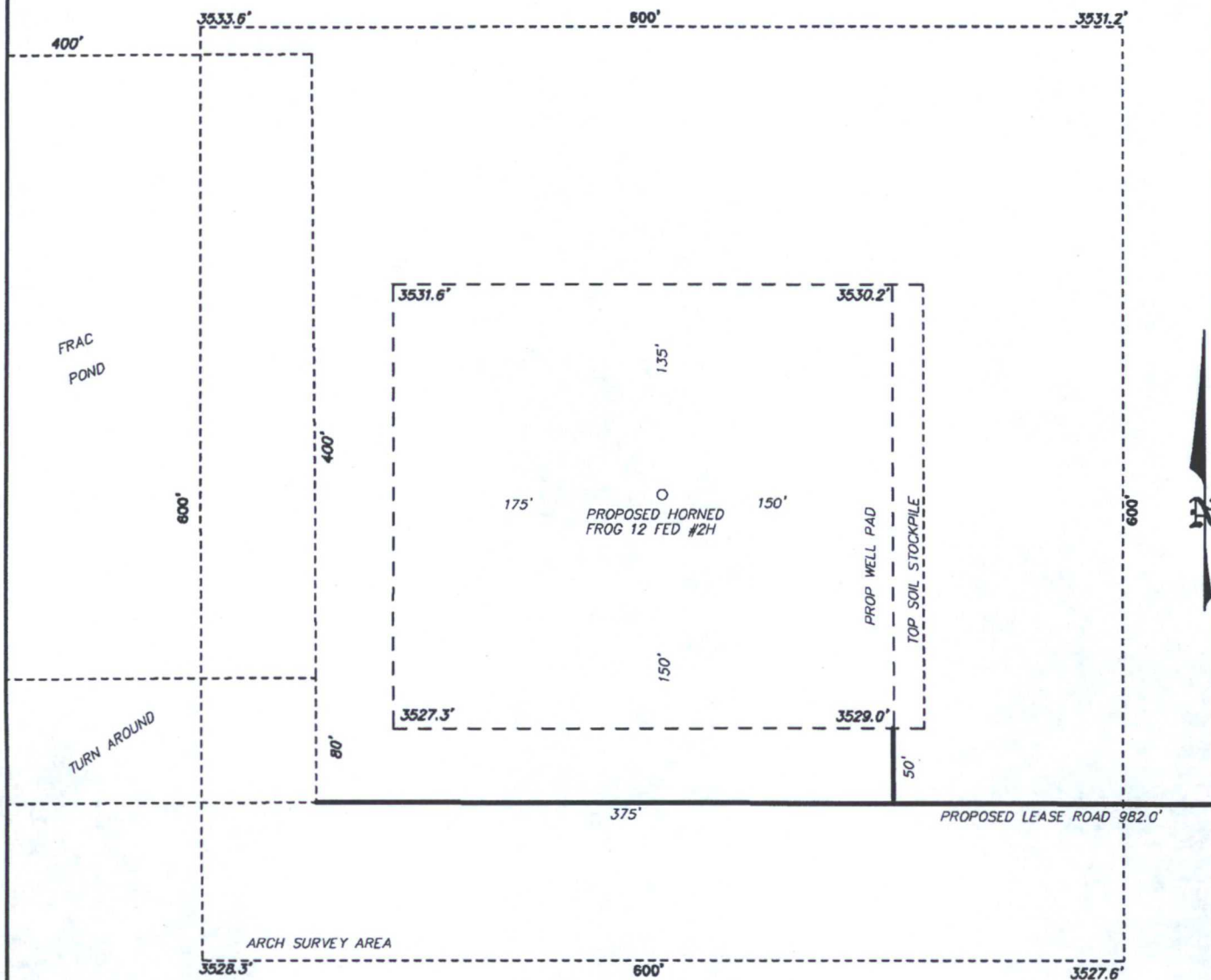
THE NORTH LINE AND 1980' FROM THE WEST LINE OF

Section 12, Township 22 South, Range 33 East,

N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 08-12-2013 Sheet 1 of 1 Sheets

Section 12, Township 22 South, Range 33 East, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



ADVENTURE EXPLORATION LLC.

REF: HORNED FROG 12 FEDERAL #2H / WELL PAD TOPO

THE HORNED FROG 12 FEDERAL #2H LOCATED 2310' FROM

THE NORTH LINE AND 1980' FROM THE WEST LINE OF

Section 12, Township 22 South, Range 33 East,

N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 29051

Drawn By: K. NORRIS

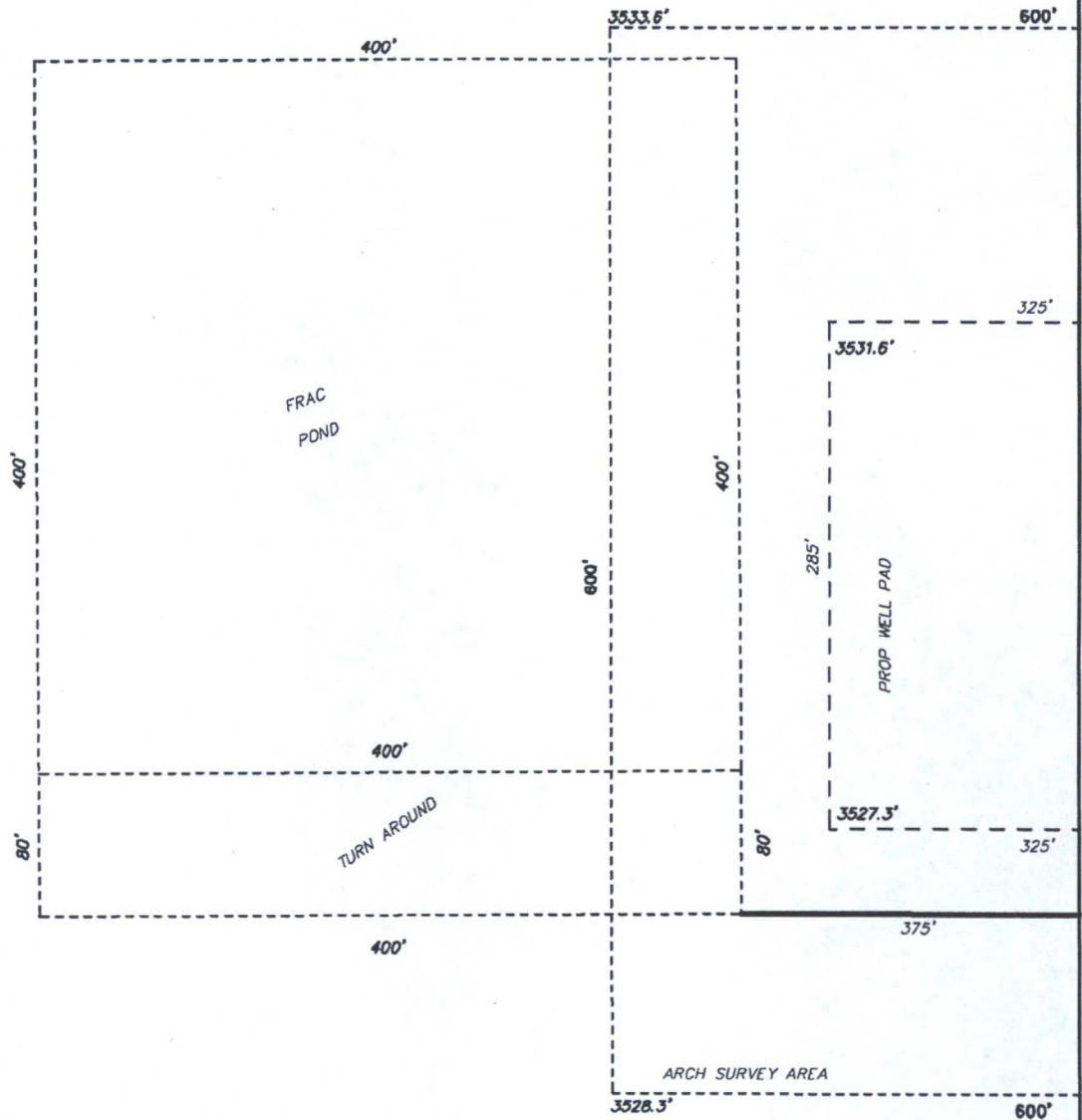
Date: 08-15-2013

Disk: KAN 29051

Survey Date: 08-12-2013

Sheet 1 of 1 Sheets

Section 12, Township 22 South, Range 33 East, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



1000 0 1000 2000 FEET

ADVENTURE EXPLORATION LLC.

REF: HORNED FROG 12 FEDERAL #2H / FRAC POND

THE HORNED FROG 12 FEDERAL #2H LOCATED 2310' FROM

THE NORTH LINE AND 1980' FROM THE WEST LINE OF

Section 12, Township 22 South, Range 33 East,

N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 29051

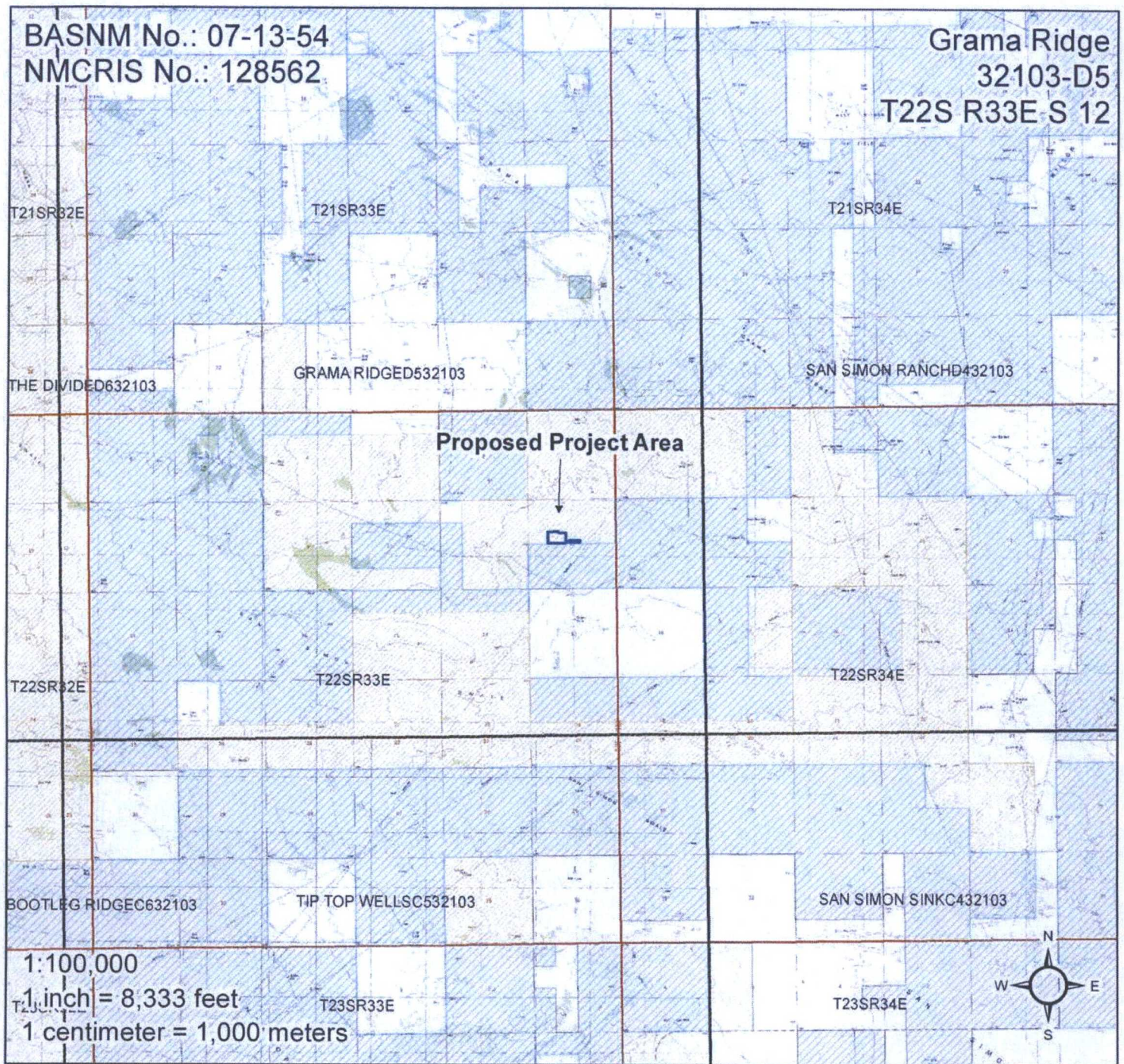
Drawn By: K. NORRIS

Date: 08-15-2013 Disk: KAN 29051

Survey Date: 08-12-2013

Sheet 1 of 1 Sheets

Adventure Exploration, LLC
Proposed Horned Frog 12 Fed #2H
Well Pad, Frac Pand, Turn Around & Access Road



Legend

- | | | | |
|-------------------------|------------------------|-----------------|--------------------------|
| ■ Proposed Project Area | BLM | ■ BOI | ■ NM State Game and Fish |
| ■ BOR | ■ NPS | ■ NM State Park | |
| ■ DOE | ■ Private | | |
| ■ Forest Service | ■ NM State Trust Lands | | |

BLM LEASE NUMBER: NMNM 112939

COMPANY NAME: Adventure Exploration Partners II LLC.

ASSOCIATED WELL NAME: Bevo 11 Federal 4H

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 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.

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 type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input checked="" type="checkbox"/> LPC mixture | <input type="checkbox"/> Aplomado Falcon mix |

9. 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, geophysical exploration other than 3-D operations, and 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 leaks 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 ft. from the source of the noise.

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

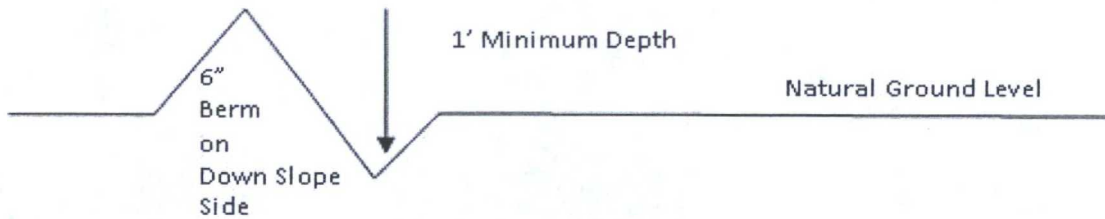
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outcropping and insloping, 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:

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

Cattleguards

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.

Fence Requirement

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

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

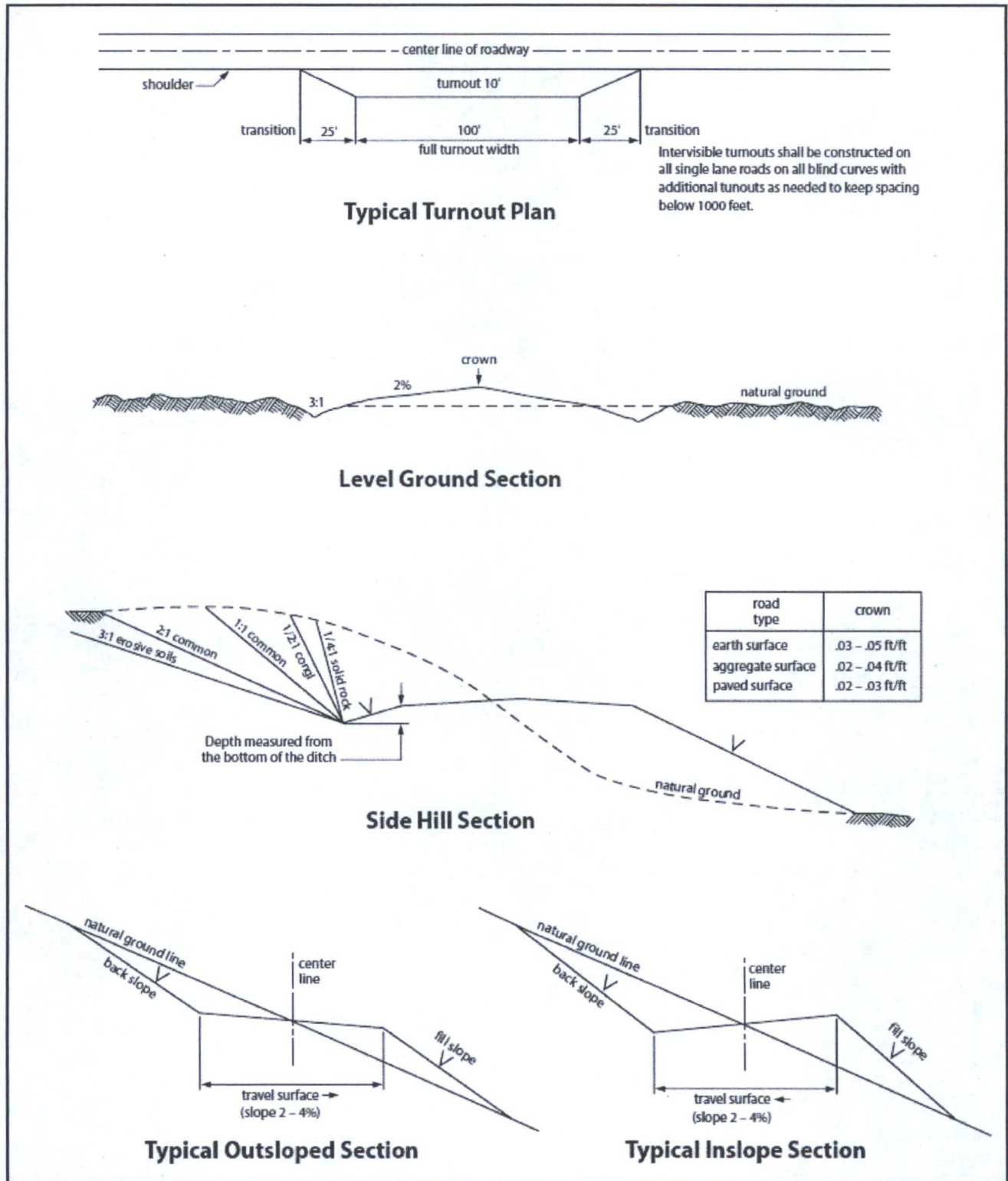


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

