

Susp: 1-25-2005
p MESO-501844163

LANCE OIL & GAS COMPANY, INC.

PO Box 70



Kirtland, New Mexico 87417

RECEIVED

TO: MR. MICHAEL STOGNER/NMOCD
FROM: PAUL LEHRMAN/LANCE OIL & GAS COMPANY, INC.
SUBJECT: APD FOR LANCE F-RPC 19 #2Y/NSP -1881
DATE: 1/4/2005
CC:

JAN 05 2005

OIL CONSERVATION
DIVISION

Mr. Stogner- as requested, attached is an approved APD for the referenced well. Please send the revised NSP when available. Thanks again for the help.

If needed, my phone is 505/598-5601, Ext. 57. E-Mail is plehrman@westerngas.com

Thanks Mike.


Paul

#2

720'FWL + 827'FWL

2Y

688'FWL + 836'FWL

$$\begin{array}{r} 6 \\ 720 \\ 688 \\ \hline 32 \end{array}$$

$$\begin{array}{r} 2 \\ 836 \\ 827 \\ \hline 9 \end{array}$$

2004 DEC 30

PM 9:13

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED
070 FARMINGTON

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMSF-079065
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Lance Oil & Gas Company, Inc.		7. If Unit or CA Agreement, Name and No. N/A
3a. Address Box 70, Kirtland, NM 87417	3b. Phone No. (include area code) 598-5601 Ext. 57	8. Lease Name and Well No. F-RPC 19 #2Y
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 688' FNL & 836' FWL At proposed prod. zone Same		9. API Well No. 30-045-32766
14. Distance in miles and direction from nearest town or post office* 2 Miles SW of Farmington, NM		10. Field and Pool, or Exploratory West Kutz PC/Basin Fr. Coal
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 688'		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 19-T29N-R13W, NMPM
16. No. of Acres in lease 1,470.81		12. County or Parish San Juan
17. Spacing Unit dedicated to this well NW/4-PC 90.57 Acres N/2-FC 249.59 Acres		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 30'		20. BLM/BIA Bond No. on file BLM Nationwide # 965004351
19. Proposed Depth 1200'		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5314' GL
22. Approximate date work will start* Upon approval		23. Estimated duration 2 weeks

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall 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 certificate. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

SEE ATTACHED FOR CONDITIONS OF APPROVAL

25. Signature 	Name (Printed/Typed) Paul Lehrman	Date 12-29-04
Title Sr. Landman		
Approved by (Signature) 	Name (Printed/Typed) Chip Harraden	Date 12/30/04
Title Acting PMT Lead	Office BLM-FFO	

Application approval does not warrant or certify the 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.

*(Instructions on reverse)

* Note: This is a replacement well for the Lance F-RPC 19 #2 which encountered downhole problems. See attached letter from Western Archeological Services. Existing pad will be use for all operations.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

OPERATOR

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

State of New Mexico
 Energy, Minerals & Mining Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C - 102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT 00 APR 9 13

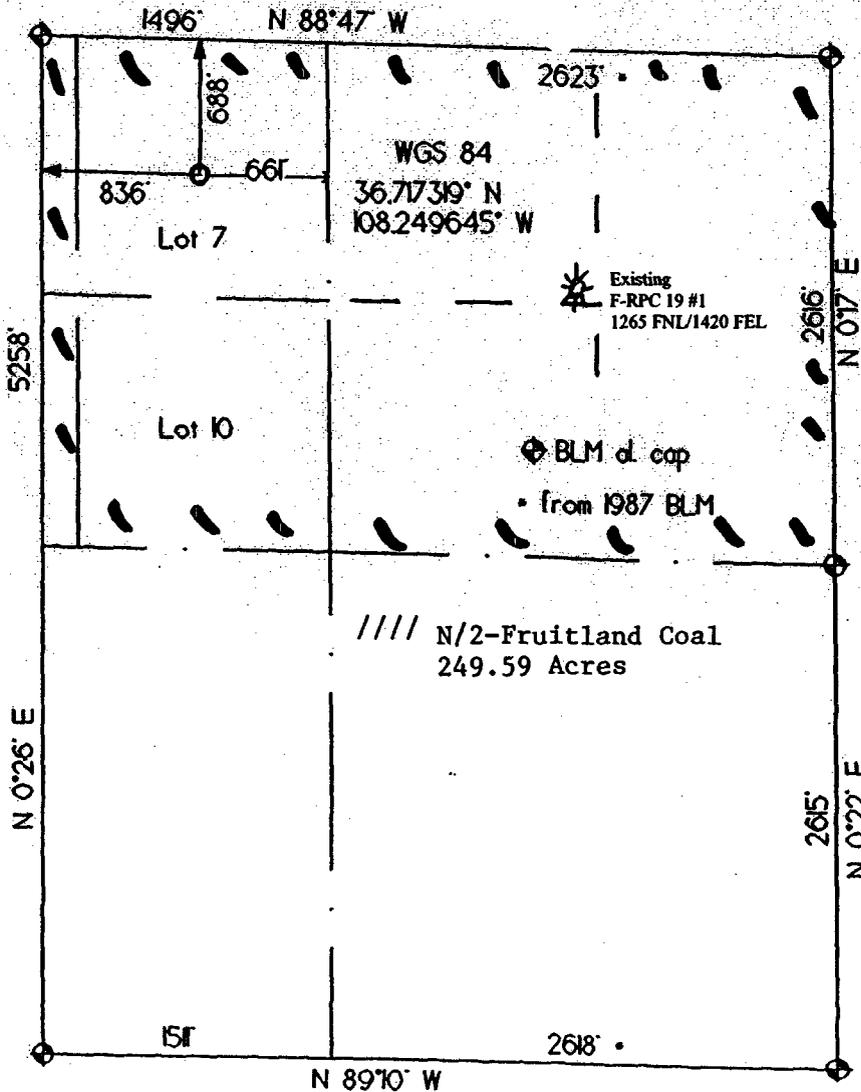
APA Number 30-045-	Pool Code 71629	Pool Name Basin Fruitland Coal RECEIVED
Property Code	Property Name F - RPC 19	Well Number 2 Y
OGRID No. 229938	Operator Name RICHARDSON OPERATING COMPANY	Elevation 5314'

Surface Location									
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	North/South	Feet from	East/West	County
C	19	29 N	13 W		688	NORTH	836	WEST	SAN JUAN

Bottom Hole Location if Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	North/South	Feet from	East/West	County

Dedication N/2	Joint ?	Consolidation	Order No.
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249.59 Ac. NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Paul Lehrman*

Printed Name: Paul Lehrman

Title: Sr. Landman

Date: 12-29-04

SURVEYOR CERTIFICATION
 I hereby certify that the well location 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 of Survey: r/w: 12/29/04

Signature and Seal of Professional Surveyor: *Gerard S. Huddleston*

GERARD S. HUDDLESTON
 NEW MEXICO
 6844
 REGISTERED LAND SURVEYOR

State of New Mexico
 Energy, Minerals & Mining Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C - 102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

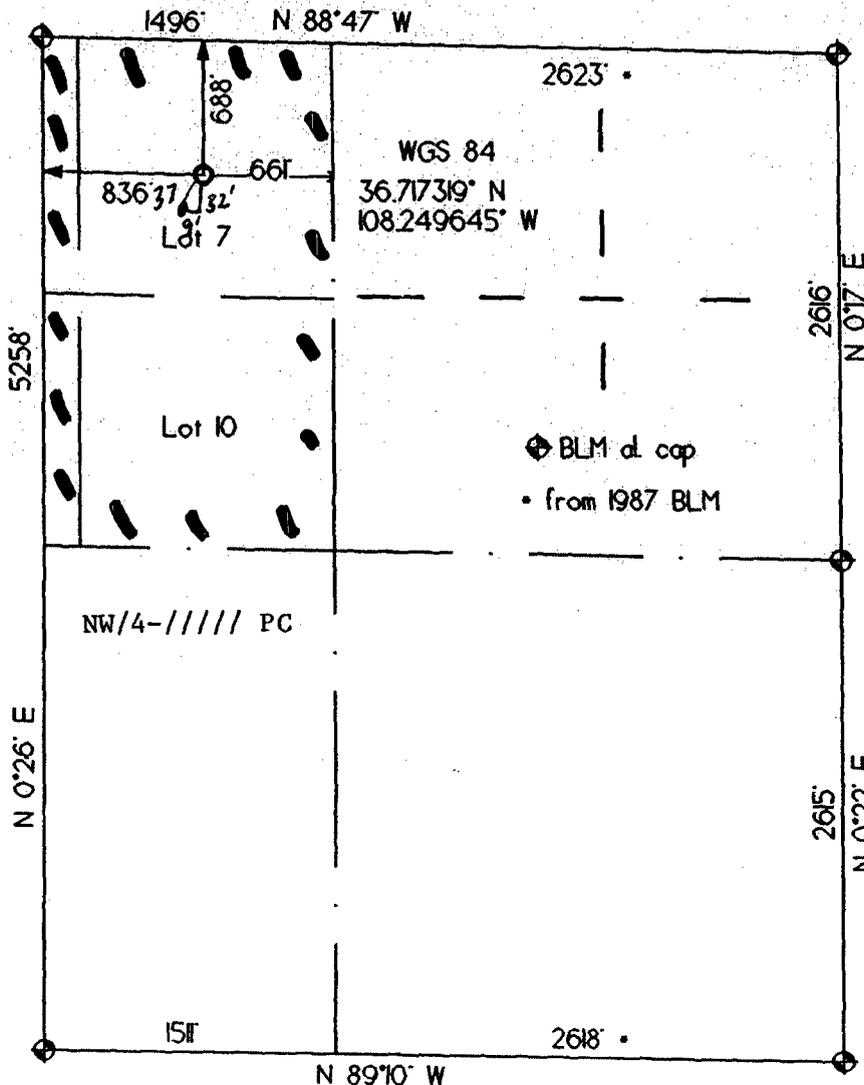
APA Number 30-045-	Pool Code 79680	Pool Name West Kutz PC
Property Code	Property Name F - RPC 19	Well Number 2 Y
OGRD No. 229938	Operator Name RICHARDSON OPERATING COMPANY	Elevation 5314'

Surface Location									
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	North/South	Feet from	East/West	County
C	19	29 N	13 W		688'	NORTH	836'	WEST	SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	North/South	Feet from	East/West	County

Dedication NW/4	Joint ?	Consolidation	Order No.
--------------------	---------	---------------	-----------

90.57 Ac. NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
 Signature: *Paul Lehrman*
 Printed Name: Paul Lehrman
 Title: Sr. Landman
 Date: 12-29-04

SURVEYOR CERTIFICATION
 I hereby certify that the well location 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 of Survey: rw: 12/29/04

Signature and Seal of Professional Surveyor

 GERARDO HUDDLESTON
 6844
 REGISTERED LAND SURVEYOR
 STATE OF NEW MEXICO

Lance Oil & Gas Company, Inc.
F-RPC #2Y
688' FNL & 836' FWL
Section 19, T29N, R13W, NMPM
San Juan County, New Mexico

DRILLING PROGRAM

1. ESTIMATED FORMATION TOPS:

<u>Formation</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Subsea Elevation</u>
Kirtland Shale	000'	005'	+5,314'
Fruitland Fm	815'	820'	+4,499'
Fruitland Coal	845'	850'	+4,469'
Pictured Cliffs Ss	970'	975'	+4,344'
Total Depth (TD)*	1200'	1205'	+4,114'

*All elevations reflect the ungraded ground level of 5,314'

2. NOTABLE ZONES:

Gas Zones

Fruitland

Pictured Cliffs

Water Zones

Fruitland Coal

Coal Zones

Fruitland Coal

Water zones will be protected with casing, cement, and weighted mud. Fresh water encountered during drilling will be recorded by depth, cased, and cemented. Centralizers will be run through usable water zones to ensure that the casing is centralized through these zones. Number of centralizers will be based on API standards. A turbulizing centralizer will be run to ensure an adequate cement procedure just below the base of the lowest usable water zone. Oil and gas shows will be tested for commercial potential based on the well site representatives recommendations.

3. PRESSURE CONTROL:

The drilling contract has not yet been awarded, thus the exact BOP model to be used is unknown. (A typical 2,000 psi model has been attached to the end of the drilling program.) Double ram or annular system with a rotating head will be used. All ram preventers and related equipment will be hydraulically tested at nipple up and after any use under pressure to 1000 psi.

Blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. BOP equipment will include a floor safety valve, Kelly cock and choke manifold rated to 2000 psi. Maximum expected pressure is less than 1000 psi.

**Drilling Program
Lance Oil & Gas Company, Inc.**

Page Two

4. CASING AND CEMENTING PROGRAM:

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	<u>GL Setting Depth</u>
12 1/4"	8 5/8"	24	J-55	New	120'
7 7/8"	5 1/2"	15.5	J-55	New	1200'

Surface casing will be cemented to surface with ≈ 120 cu.ft. (≈ 100 sx) Howco Type II. Volume is based on 100% excess, yield of 1.20 cu.ft./sk, and slurry weight of 15.6 ppg. WOC = 12 hours. Pressure test surface casing to 600 psi for 30 minutes.

Production casing hole will first be cleaned of rock chips by circulating at least 150% of hole volume with drilling fluid to surface. Thirty barrels of fresh water will then be circulated. Lead with ≈ 245 cu.ft. (≈ 135 sx) Howco TX1 Lightweight (yield = 1.82 cu.ft./sk, slurry weight = 12.0 ppg). Tail in with ≈ 90 cu.ft. (≈ 70 sx) Howco TX 1 Lightweight (yield = 1.29 cu.ft./sk, weight = 13.5 ppg). Total cement volume is ≈ 335 cu.ft. based on 50% excess and circulating to surface.

Production casing will have 5 1/2" cement guide shoe and self fill float collar. Float will be placed one joint above the shoe. Six centralizers will be spaced every other joint starting above the shoe. Six turbolizers will be placed every other joint starting from the top of the well.

5. MUD PROGRAM:

Surface casing hole will be drilled with fresh water. Production casing hole will be drilled with a fresh water polymer mud. Weighting material will be drill solids or, if needed, barite. Maximum expected mud weight will be 8.7 ppg. Sufficient material to maintain mud properties, control lost circulation, and contain a blowout will be available at the well while drilling.

6. CORING, TESTING, & LOGGING:

No cores or DSTs are planned. A cased hole CNL/GR will be run from TD to surface.

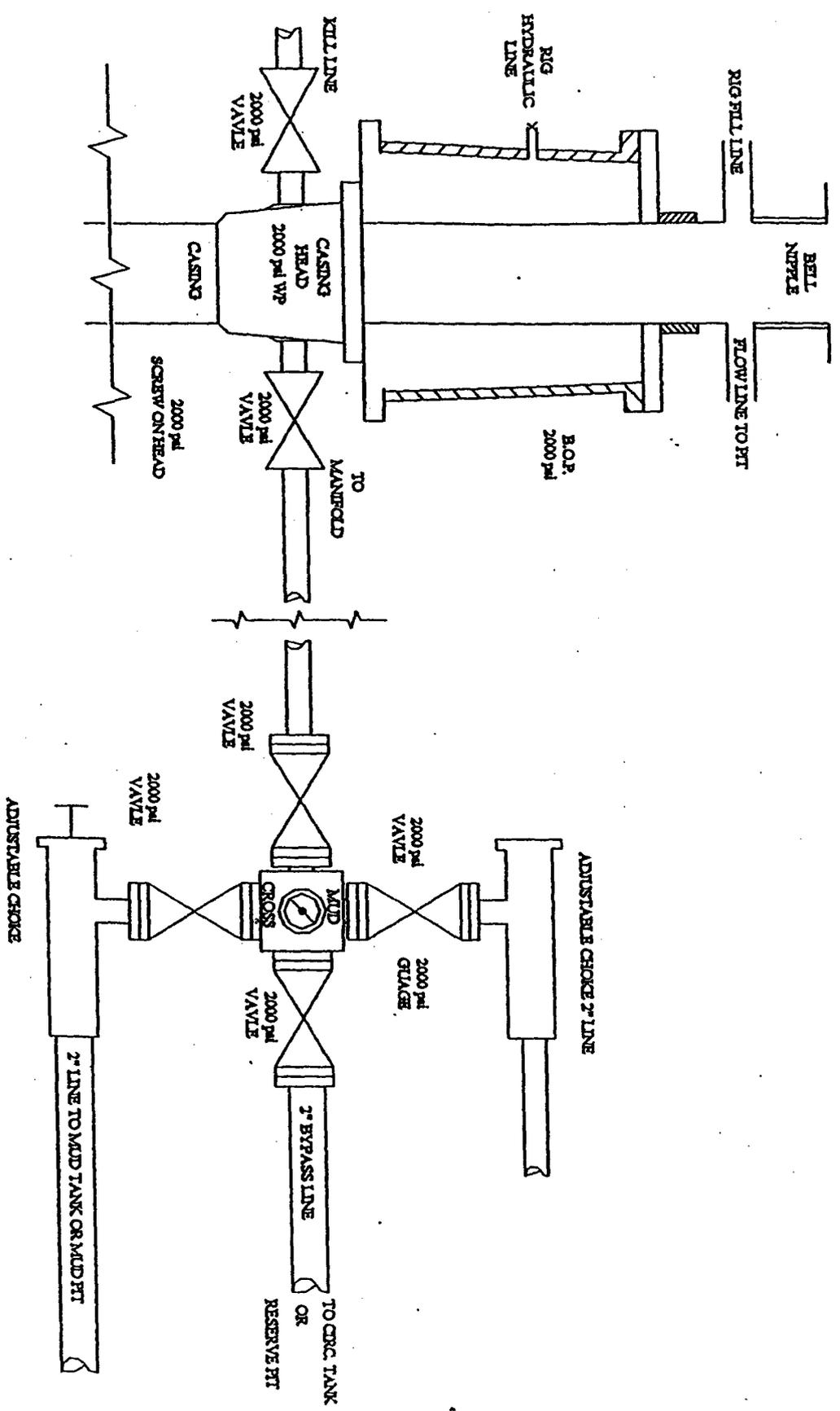
7. DOWNHOLE CONDITIONS:

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be approximately ≈ 520 psi.

8. OTHER INFORMATION:

The anticipated spud date is December 31, 2004. It should take 5 days to drill and one (1) week to complete the well.

BLOW OUT PREVENTER (B.O.P.)



Lance Oil & Gas Company, Inc.
F-RPC #2Y
688' FNL & 836' FWL
Section 19, T29N, R13W, NMPM
San Juan County, New Mexico

SURFACE USE PLAN

1. DIRECTIONS & EXISTING ROADS: (See attached plat)

From the junction of NM 371 and Pinon Street in Farmington, New Mexico,
Go .82 miles South on NM 371,
Turn right and go approximately .65 miles westerly on BIA road N-36 (Upper Fruitland Highway),
Then turn left and enter existing Consolidated Constructor's gravel yard. Drive .25 miles on main
roadway, bearing right and continue .4 miles to staked location.

Roads will be maintained to a standard at least equal to their present condition.

2. ROADS TO BE UPGRADED OR BUILT:

No new access road will be built. The existing gravel pit roads operated by Consolidated
Constructors will be used. See attached letter (Page 10) from Stan Kozimor stating that the well
location and/or road/pipelines will not interfere with the gravel pit operations. Culverts will be
placed as necessary.

3. EXISTING WELLS:

According to NM Oil Conservation Division records in Santa Fe and the State Engineers office in
Aztec, New Mexico, there are six gas wells and six plugged and abandoned wells within a mile
radius, no water and no oil or injection wells within a mile. The gas wells and plugged and
abandoned wells are depicted on the plat on page 13.

4. PROPOSED PRODUCTION FACILITIES:

A separator is planned on the pad. A pump jack will be installed to remove water from the
wellbore. Surface equipment will be painted a flat juniper green color. Gas/Water will be taken via
pipelines (laid in same trench) and taken approximately 955' northerly from the well pad to a
proposed Lance facility previously approved and permitted by the BLM (Richardson Operating,
now Lance Oil & Gas Company, Inc. F-RPC 19 #1 Well tie pipeline). See page 12 for pipeline
route and plat.

5. WATER SUPPLY

Water will trucked from a private water source in Farmington, New Mexico.

**Surface Use Plan
Lance Oil & Gas Company, Inc.**

Page 2

6. CONSTRUCTION MATERIALS & METHODS:

NM One Call (1-800-321-ALERT) will be notified prior to any new construction. A minimum 12 mil plastic liner will be installed in the reserve pit.

7. WASTE DISPOSAL:

All trash will be placed in a portable trash cage. It will be hauled to the county landfill. There will be no trash burning. Once dry, the contents of the reserve pit will be buried in place. Human waste will be disposed of in chemical toilets and hauled to an approved dump station.

8. ANCILLARY FACILITIES:

There will be no airstrips or camps. Camper trailers may be on location for the company man, tool pusher, or mud logger.

9. WELL SITE LAYOUT:

See attached for depictions of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking and living facilities, and rig orientation.

10. PERMIT FOR PIT AND RECLAMATION PROCEDURES:

Within this APD, this is also an application for an individual well pit permit pursuant NMOCD 19.15.2.50. Once closed, the pit will be backfilled with soil and the pit and the well pad will be recontoured to a natural appearance, soil spread evenly over disturbed areas, and disturbed areas ripped or harrowed. BLM's seed mix approved for the area will be drilled between July 1 and September 15. If broadcast, the rate will be doubled. A harrow or cable will be dragged over the area to assure seed cover.

If the well is a producer, then the reserve pit and any other areas not needed for workovers will be reclaimed as previously described.

11. SURFACE OWNER:

Well site, existing road and pipeline are all on lease. All facilities are all on Bureau of Land Management surface.

**Surface Use Plan
Lance Oil & Gas Company, Inc.**

Page 3

12. OTHER INFORMATION:

The nearest hospital is a 10 minute drive away in southwest Farmington.

13. REPRESENTATION:

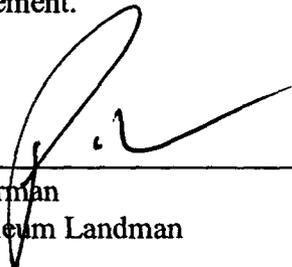
Anyone having questions concerning the APD should call Paul Lehrman and/or the field representative:

Paul Lehrman
Lance Oil & Gas Company, Inc. Land Department 505/598-5601 Ext. 57
Cell 505/486-0066
Fax 505/598-0064

Doug Barone, Production Operations Manager
Lance Oil & Gas Company, Inc.
Box 70
Kirtland, NM 87417
(505) 598-5601 Ext. 59
FAX (505) 598-0064
(505) 947-1195 CELL

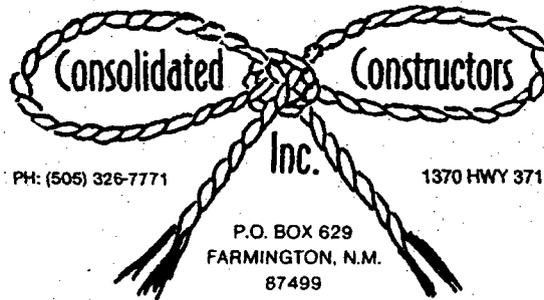
Lance Oil & Gas Company, Inc. has the necessary consents from the proper lease owner to conduct lease operations in conjunction with this well. Bond coverage is pursuant to 43 CFR 3104 for lease activities and operations are being provided by Lance Oil & Gas Company, Inc.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lance Oil & Gas Company, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to provisions of 18 USC 1001 for the filing of a false statement.



Paul Lehrman
Sr. Petroleum Landman

December 29, 2004



July 8, 2004

Richardson Operating
Paul Lehrman
3100 La Plata Highway
Farmington, New Mexico 87401

RE: ROPCO F-RFC 19-2, 19-3
Township 29 North, Range 13 West, NMPM Section 19
San Juan County, New Mexico

Dear Mr. Lehrman

Your work for the referenced projects should not interfere with our current operations.
We will have trucks hauling materials in and out at various hours.
Gates must remain locked when there is no work scheduled.

If you have any questions please contact me at your convenience.

Thank you,

Stan Kozimor

COPY

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-045-	
5. Indicate Type of Lease Federal <input checked="" type="checkbox"/> NM STATE <input type="checkbox"/> FEE <input type="checkbox"/> SF-07 90	
6. State Oil & Gas Lease No. N/A	
7. Lease Name or Unit Agreement Name F-RPC 19 #2Y	
8. Well Number	
9. OGRID Number 229938	
10. Pool name or Wildcat W. Kutz PC/Basin Fr. Coal	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5314 GR	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>Drilling</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>1000'</u>	
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material <u>Impervious Plastic</u>	

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Lance Oil & Gas Company, Inc.

3. Address of Operator
Box 70, Kirtland, NM 87417

4. Well Location
 Unit Letter C : 688 feet from the North line and 836 feet from the West line
 Section 19 Township 29N Range 13W NMPM San Juan County NM

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Pit Permit</u> <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pit Permit pursuant to NMOCD Rule 50.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE [Signature] TITLE Sr. Landman DATE 12-29-04

Type or print name Paul Lehrman E-mail address: plehrman@westerngas.com Telephone No. 598-5601
For State Use Only Ext. 57

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

F-RPC 19#2Y

well pad and section



0' 40'



Scale 1" = 40'



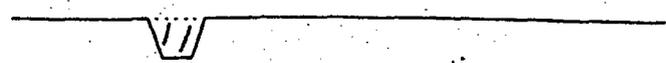
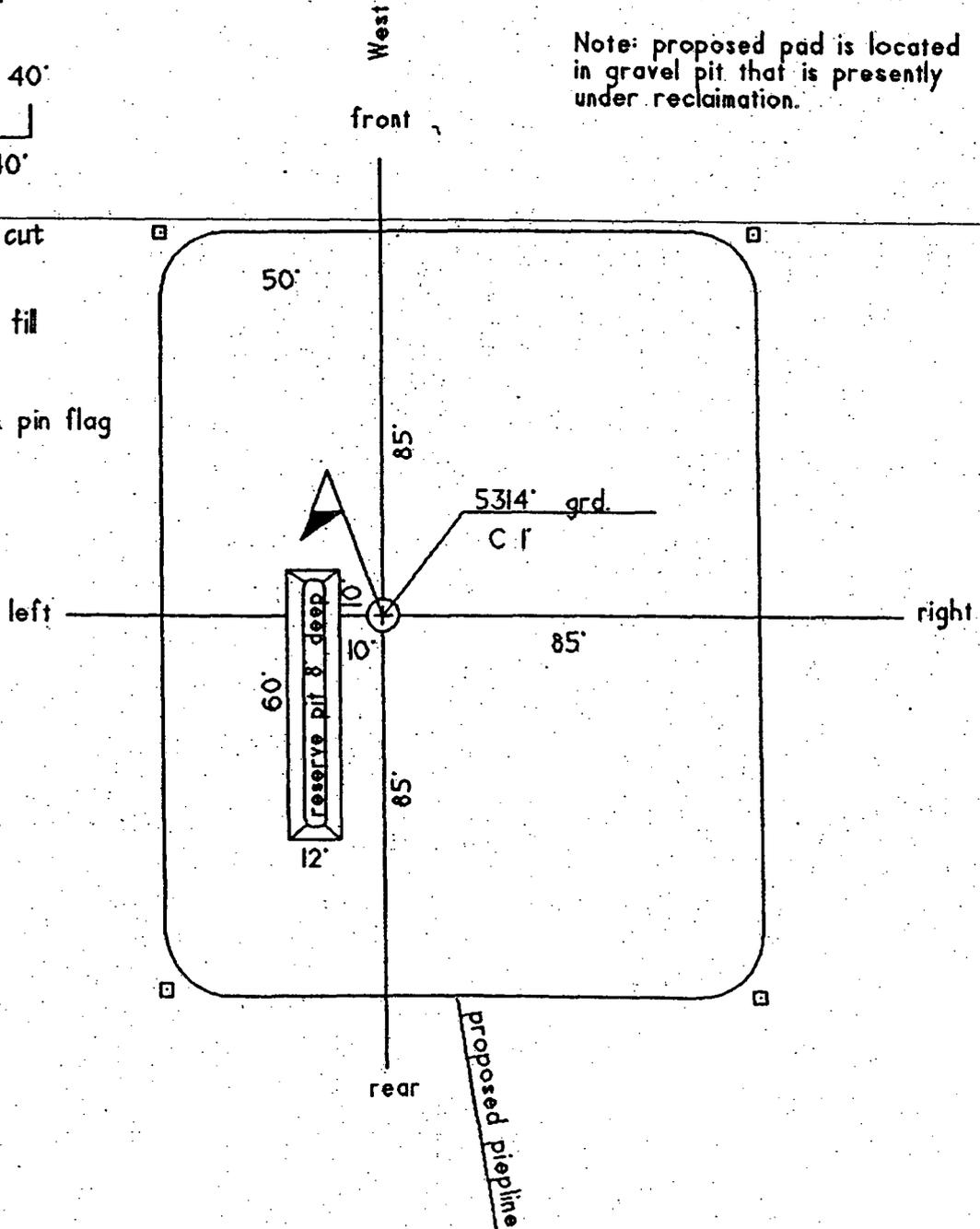
cut



fill

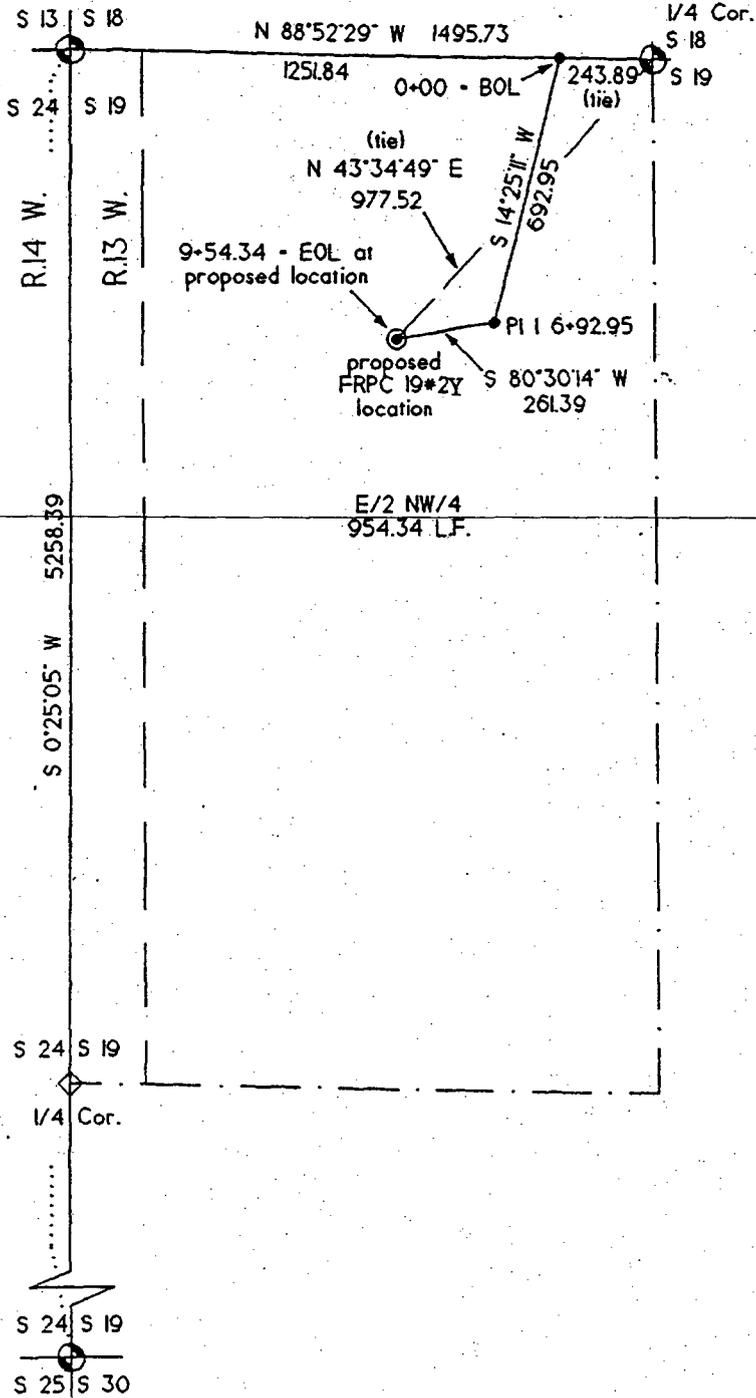
□ set stake & pin flag

Note: proposed pad is located in gravel pit that is presently under reclamation.

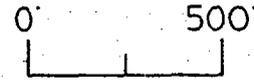


section

T.29 N.



Basis of Bearing:
GPS state plane coordinates
rotated.



Scale: 1" = 500'

- fnd. std. BLM monument
- calculated corner
- survey centerline PI



LANCE OIL & GAS COMPANY, INC.

Proposed FRPC 19-2Y pipeline right-of-way -

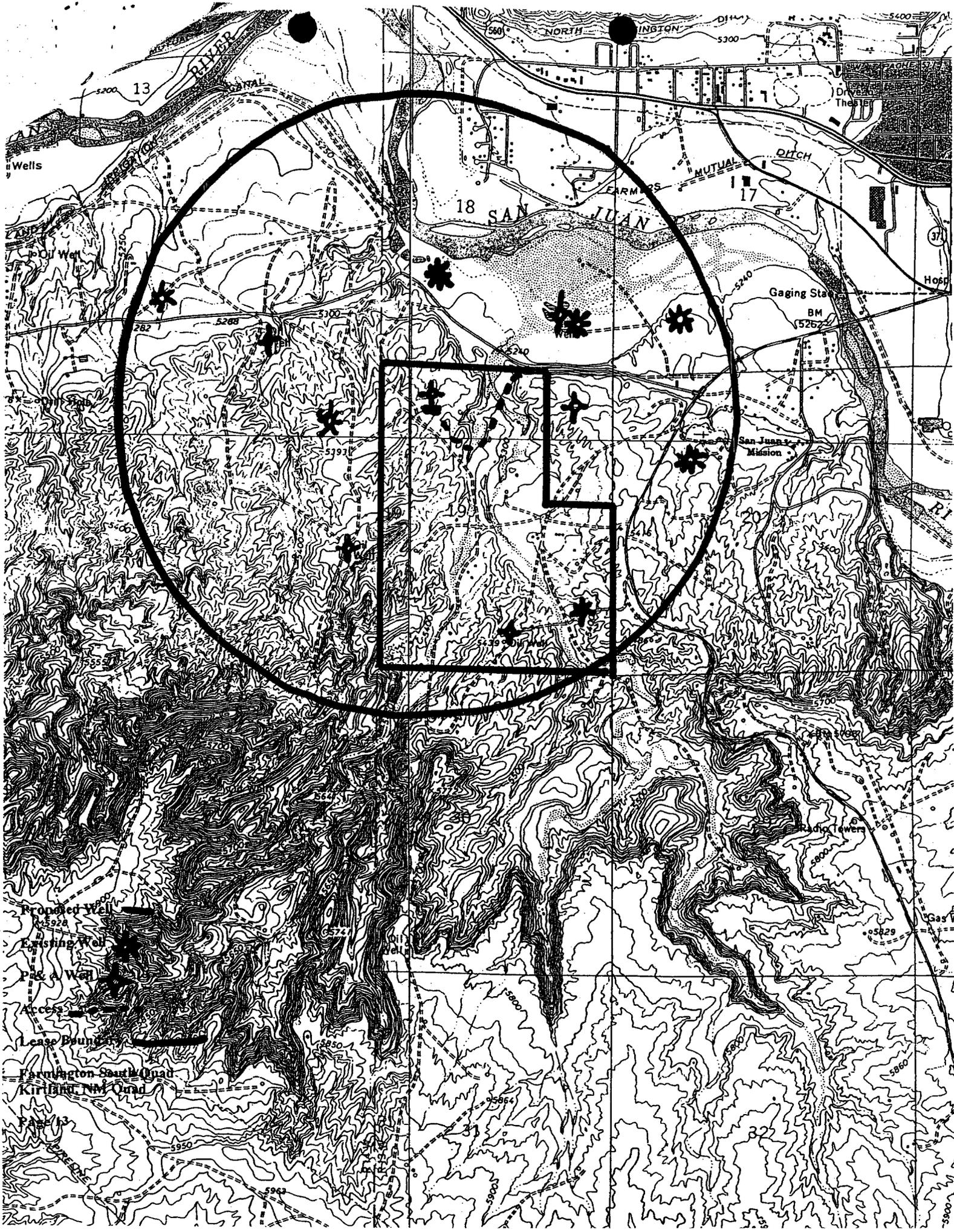
E/2 NW/4 of Section 19

T.29 N., R.13 W., NMPM.

San Juan County, New Mexico

revised June 2004

March 2004



PAGE 15

WELL SITE LAYOUT

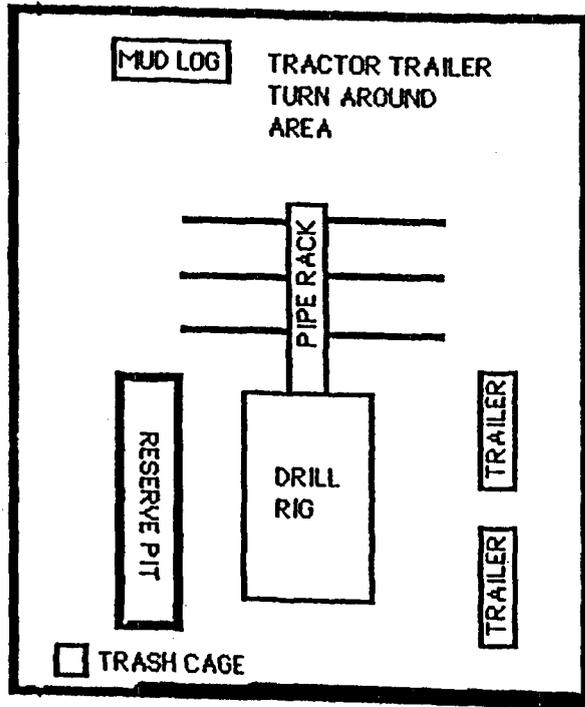
LANCE OIL & GAS COMPANY, INC.

F-RPC 19 #2Y

688' FNL & 836' FWL

SECTION 19, TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

SAN JUAN COUNTY, NEW MEXICO



NORTH

WESTERN ARCHEOLOGICAL SERVICES**22491 ROAD D6, CORTEZ, COLORADO 81321 TELE. (970) 564-9278 FAX 564-5819**

December 29, 2004

Mr. Paul Lehrman
Lance Oil & Gas Co.
P.O. Box 70
Kirtland, New Mexico 87417

RE: Proposed FRPC #19-2Y Well Site

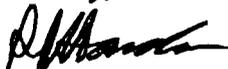
Mr. Lehrman:

I have reviewed WAS Report 0415 dated June 24, 2004 for the FRPC 19-2 well pad and pipeline. The well was a Richardson Operating Company project, but has been assumed by Lance Oil & Gas Co. It is my understanding that the well pad is to be moved 30' to the northeast. I recommend that no additional cultural resource survey be conducted for this move because:

- 1) The well site is located in an abandoned gravel pit and the entire area has already been severely disturbed. Moving the drilling rig will not cause any damage to areas which have not already been disturbed.
- 2) The area of the gravel pit where the well pad is located had been archeologically surveyed prior to the pit being put into use and no cultural resources were recorded in the well pad area per se. One small non-significant site recorded just to the north of the well pad was removed during gravel pit operations.

If you have any questions please give me a call.

Sincerely,



Patrick Harden

Copy To: BLM - Farmington



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
3162.3-1(07100)

Burlington Resources
#2Y F-RPC 19
NMSF-079065
NE1/4NW1/4 Section 19, T.29 N., R.13W.
San Juan County, New Mexico

Above Data Required on Well Sign

GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL AND INDIAN LEASES

In addition to those requirements set forth in the laws, regulations and Onshore Orders, these requirements apply generally to all oil and gas operations on Federal and Indian leases. They apply specifically to the above described well. Special requirements that apply and are effective for this well, if any, are check-marked in Section VII of these General Requirements. The failure of the operator to comply with these requirements and the filing of required reports will result in strict enforcement of 43 CFR 3163.1 or 3163.2.

I. GENERAL

- A. Full compliance with all applicable laws, regulations, and Onshore Orders, with the approved Permit to Drill, and with the approved Surface Use and Operations Plan is required. Lessees and/or operators are fully accountable for the actions of their contractors and subcontractors.
- B. Each well shall have a well sign in legible condition from spud date to final abandonment. The sign should show the operator's name, lease serial number, or unit name, well number, location of the well, and whether lease is Tribal or Allotted, (See 43 CFR 3162.6(b)).
- C. A complete copy of the approved Application for Permit to Drill, along with any conditions of approval, shall be available to authorized personnel at the drill site whenever active drilling operations are under way.
- D. For Wildcat wells only, a drilling operations progress report is to be submitted, to the BLM-Field Office, weekly from the spud date until the well is completed and the Well Completion Report (Form 3160-4) is filed. The report should be on 82 x 11 inch paper, and each page should identify the well by; operator's name, well number, location and lease number.
- E. As soon as practical, notice is required of all blowouts, fires and accidents involving life-threatening injuries or loss of life. (See NTL-3A).

- F. Prior approval by the BLM-Authorized Office (Drilling and Production Section) is required for variance from the approved drilling program and before commencing plugging operations, plug back work casing repair work, corrective cementing operations, or suspending drilling operations indefinitely. Emergency approval may be obtained orally, but such approval is contingent upon filing of a notice of intent (on a Sundry Notice, Form 3160-5) within three business days (original and three copies of Federal leases and an original and four copies on Indian leases). **Any changes to the approved plan or any questions regarding drilling operations should be directed to BLM during regular business hours at 505-899-8900. Emergency program changes after hours should be directed to Adrienne Garcia at 505-326-1248 or Jim Lovato at 505-334-1266.**
- G. The Field Office Manager (Inspection and Enforcement Section, phone number (505-599-8907) is to be notified at least 24 hours in advance of any cementing or plugging operations so that a BLM representative may witness the operations.
- H. Unless drilling operations are commenced within one year, approval of the Application for Permit to Drill well expire. A written request for a six months extension may be granted if submitted prior to expiration.
- I. From the time drilling operations are initiated and until drilling operations are completed, a member of the drilling crew or the tool pusher shall maintain rig surveillance at all time, unless the well is secured with blowout preventers or cement plugs.
- J. If for any reason, drilling operations are suspended for more than 90 days, a written notice must be provided to this office outlining your plans for this well.

II. REPORTING REQUIREMENTS

- A. For reporting purposes, all leases, communitization agreements or unit agreements are to be referenced by the numbers and prefixes affixed to the respective contract documents by the issuing agency at the time of issue.
- B. The following reports shall be filed with the BLM-Authorized Officer within 30 days after the work is completed.
 - 1. Original and three copies on Federal and Original and four copies on Indian leases of Sundry Notice (Form 3160-5), giving complete information concerning.
 - a. Setting of each string of casing. Show size and depth of hole, grade and weight of casing, depth set, depth of any and all cementing tools that are used, amount (in cubic feet) and types of cement used, whether cement circulated to surface and all cement tops in the casing annulus, casing test method and results, and the date work was done. Show spud date on first report submitted.
 - b. Intervals tested, perforated (include; size, number and location of perforations), acidized, or fractured; and results obtained. Show date work was done (a Sundry Notice is not required if a Completion Report is submitted within 30 days of the operation).

- c. Subsequent Report of Abandonment, showing the manner in which the well was plugged, including depths where casing was cut and pulled, intervals (by depths) where cement plugs were replaced, and dates of the operations.
2. Well Completion Report (Form 3160-4) will be submitted with 30 days after well has been completed.
 - a. Initial Bottom Hole Pressure (BHP) for the producing formations. Show the BHP on the completion report. The pressure may be: 1) measured with a bottom hole bomb, or; 2) calculated based on shut in surface pressures (minimum seven day buildup) and fluid level shot.
 3. Submit a cement evaluation log, if cement is not circulated to surface.

III. DRILLER'S LOG

The following shall be entered in the daily driller's log: 1) Blowout preventer pressures tests, including test pressures and results. 2) Blowout preventer tests for proper functioning, 3) Blowout prevention drills conducted, 4) Casing run, including size, grade, weight, and depth set, 5) How pipe was cemented, including amount of cement, type, whether cement circulated to surface, location of cementing tools, etc., 6) Waiting on cement time for each casing string, 7) Casing pressure tests after cementing, including test pressure and results and 8) Estimated amounts of oil and gas recovered and/or produced during drill stem test.

IV. GAS FLARING

Gas produced from this well may not be vented or flared beyond an initial, authorized test period of * Days or 50 MMCF following its (completion)(recompletion), whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the test period authorized above, you may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted, and you shall be required to compensate the lessor for the portion of the gas vented or flared without approval which is determined to have been avoidably lost.

*30 days, unless a longer test period specifically is approved by the authorized officer. The 30-day period begins when the casing is first perforated for cased holes, and when Total Depth (TD) is reached for open hold completion.

V. SAFETY

- A. All rig heating stoves are to be of the explosion-proof type.
- B. Rig safety lines are to be installed.
- C. Hard hats must be utilized.

VI. CHANGE OF PLANS OR ABANDONMENT

- A. Any changes of plans required in order to mitigate unanticipated conditions encountered during drilling operations, will require approval as set forth in Section 1.F.
- B. If the well is dry it is to be plugged in accord with 43 CFR 3162.3-4, approval of the proposed plugging program is required as set forth in Section 1.F. The report should show the total depth reached, the reason for plugging, and the proposed intervals, by depths, where cement plugs are to be placed, type of plugging mud, etc. A Subsequent Report of Abandonment is required as set forth in Section 11.B.1c.
- C. Unless a well has been properly cased and cemented, or properly plugged, the drilling rig must not be moved from the drill site without prior approval from the BLM-Authorized Officer.

VII. SPECIAL STIPLATIONS

The following special requirements apply and are effective when checked:

- A. Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the Bureau of Land Management, Farmington Field Office, Branch of Reservoir Management, 1235 La Plata Highway, Suite A, Farmington, New Mexico 87401. The effective date of the agreement must be Prior to any sales.
- B. The BLM-Authorized Officer requires testing all components of well control systems at the pressure requirements set forth in Onshore Oil and Gas Order No. 2, Section III. A. 1., plus a 30% safety factor, and does not elect to utilize the discretionary authority for requiring the testing of selected components at the A. P. L. working pressures.
- C. Note Attachments
- D. The required wait on cement (WOC) time will be a minimum of 250 psi compressive strength at 60 degrees. Blowout preventor (BOP) nipple-up operations may then be initiated.

VIII. PHONE NUMBERS

- A. For BOPE tests, cementing, and plugging operations the phone number is 505-599-8907 and should be called 24 hours in advance in order that a BLM representative may witness the operations.
- B. Emergency program changes after hours contact:

Adrienne Brumley (505) 326-1248

Or

Jim Lovato at (505) 334-1266

DRILLING CONDITIONS OF APPROVAL

Operator: Lance Oil and Gas Company
Lease No.: NMSF 079065
Well Name: F-RPC 19 #2Y
Well Location: sec. 19, T29N, R13W; 688' FNL & 836' FWL

1. Centralizers will be run on the surface casing according to Onshore Order No. 2 *Casing and Cementing Requirements* and NTL -FRA 90-1 *Requirements to Operate on Federal and Indian Leases: Casing and Cementing Requirements*.

**Bureau of Land Management
Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico**

CONDITIONS OF APPROVAL

Operator: Lance Oil & Gas

Well Name: F-RPC 19 #2Y

Lease Number: NMSF-079065

Legal Location: 688' FNL, 836' FWL (NW/NW)

Field Inspection Date: 3/16/04

Sec. 19, T29 N, R13W

The following conditions of approval will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to Bureau of Land Management and the operator a contradictory environmental stipulation. The failure of the operator to comply with these requirements may result in the assessment of liquidated damages or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity.

An agreement between operator and fee land owner will take precedence over Bureau of Land Management surface stipulations unless (In reference to 43 CFR Part 3160) 1) Bureau of Land Management determines that the operator's actions will affect adjacent Federal or Indian surface, or 2) the operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

Special Stipulations

Reserve pits will be closed and rehabilitated 90 days after completion or 120 days from the well spud date. All reserve pits remaining open after the 90 days will need written authorization of the Authorized Officer from the Farmington Field Office. This requirement is addressed in the General Requirements in Onshore Order #7.

The top 6 inches of soil material will be stripped and stockpiled in the construction zones of the well pad. The stockpiled soil material will be spread on the reclaimed portions of the pad [including the reserve pit, cut and fill slopes] prior to reseeded. Spreading shall not be done when the ground or topsoil is frozen or wet.

Pits will be lined with an impervious material at least 8 mils thick. Prior to closing the pit, the liner will be cut off at mud level. The excess liner will be hauled to a licensed disposal area.

Compressor units on this well location not equipped with a drip pan for containment of fluids shall be lined with an impervious material at least 8 mils thick and a 12 inch berm. The compressor will be painted to match the well facilities. Any variance to this will be approved

by the **Authorized Officer (AO)**. When compressor units are washed, or any other equipment associated with the locations, the fluids (i.e., scrubber cleaners) will be properly disposed of to avoid ground contamination or hazard to livestock or wildlife.

The final cut slope shall not exceed a **3:1 Ratio**. The final fill slope shall not exceed a **3:1 Ratio**. To obtain this ratio, pits and slopes shall be backsloped into the pad upon completion of drilling. Construction slopes can be much steeper during drilling, but will be re-contoured to the above ratio during reclamation. **Production equipment [including any facilities associated with pipeline construction] shall be placed on location as not to interfere with reclaiming the cut and fill slopes to their proper ratio. If equipment is found to interfere with the proper reclamation of the slope, the company will be required to move the equipment so proper re-contouring can occur.**

Diversion ditch: There will be a diversion ditch above the cut, on the south side draining east & then north and west and then north off the well pad.

Culverts will be placed at the access road where road crosses the drainage. **18-inch culverts** will be required as a minimum.

The proposed action is located in a **Special Management Area**, which receives frequent visitation. It is strongly recommended that public access to oilfield equipment posing a danger to human health and safety be restricted (wellheads, meter runs, pump jacks, etc.). Access restriction may be accomplished in a variety of ways including: fencing the well pad perimeter, barricading individual pieces of equipment and/ or posting warning signs at the entrance to the location. Future stipulations developed through collaboration with the **BLM** and industry concerning public access to oil and gas location or oilfield equipment may be retroactively applied to this permit.

The perimeter of the well pad will be fenced with six-foot chain link fence until the well is plugged and abandoned. The gates shall be kept locked at all times when the permittee or his employees are not enclosure.

Any above ground equipment/pipe, etc. located outside the fenced well pad will be painted a high visibility color and / or fenced in a manner to keep the **ORV**- using public from colliding with the equipment. Equipment located on the well pad (inside fenced area) should be painted to blend with natural surroundings.

All equipment located inside the Area, including the abandoned pipeline and associated appurtenances will be promptly removed when no longer in use.

When the well is plugged the casing will be cut off and buried a minimum of three feet below the surface.

The operator or his contractor will contact the Bureau of Land Management, Farmington Field Office, Environmental Protection Staff (505)-599-6319, at least 48 hours prior to rehabilitation and reseeded.

Unless the road is to be reclaimed, Lance Oil & Gas will seed all the disturbed areas except the driving surface and road shoulders using the following designated seed mixture and specifications given. Disturbed areas shall be reseeded within one year of final construction.

Road Stipulations

Performing construction maintenance activities outside the original cultural survey will require and new cultural survey and clearance.

The holder shall place slope stakes, culvert location and grade stakes, and other construction control stakes as deemed necessary by the authorized officer to ensure construction in accordance with the plan of development. If stakes are disturbed, they shall be replaced before proceeding with construction.

No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of 6 inches deep, the soil shall be deemed too wet.

When construction activity in connection with the right-of-way breaks or destroys a natural barrier used for livestock control, gaps thus opened shall be fenced to prevent drift of livestock. The subject natural barrier shall be identified and fenced by the holder as per instructions of the AO.

Maintain a minimum of ten (10) feet of undisturbed surface between fence lines and roads that are constructed parallel to fences.

Each fence crossed by this right-of-way shall be braced and secured to prevent slacking of the wire, before cutting the wire. The opening thus created shall be temporarily closed as necessary during construction to prevent passage of livestock. Upon completion of construction, install a cattle guard with an adjacent sixteen (16) foot gate. The cattle guard shall be constructed to BLM specifications.

Those segments of road where grade is in excess of ten percent for more than 300 feet shall be designed by a professional engineer. Right-of-way clearing shall be limited to 12.5 feet on each side of centerline. This road shall have a maximum driving surface of 16 feet, and a maximum bladed width of 25 feet excluding turnout ditches and turnouts, and a maximum grade of 10 percent (pitches over 10 percent that are less than 300 feet in length may be allowed).

Crowning and ditching on both sides of the road is required. The road cross section will conform to the cross section diagrams available from Bureau of Land Management. The

crown shall have a grade of approximately two percent (i.e., two-inch crown on a 16 foot wide road).

Drainage control shall be ensured over the entire road through the use of borrow ditches, drainage dips, out-sloping, in-sloping, natural rolling topography, and/or turnout (lead-off) ditches. Every drainage dip shall drain water into an adjacent turnout ditch.

The holder shall construct low-water crossings in a manner that will prevent any blockage or restriction of the existing channel. Material removed shall be stockpiled for use in rehabilitation of the crossing.

Surfacing may be applied at the Holder's discretion, but is not required at this time. However, if it becomes evident there is resource damage or it becomes evident the road is receiving excess damage, surfacing will be required.

The Holder shall furnish and apply water, chemicals, or use other means satisfactory to the AO for dust control.

Pipeline Stipulations

No surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to special stipulations in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

The holder shall mark the exterior boundaries of the right-of-way with stake and/or lath at 100 to 200 foot intervals. The intervals may be varied at the time of staking at the discretion of the AO. The tops of the stakes and/or laths will be painted and the laths flagged in a distinctive color as determined by the holder. The survey station numbers will be marked on the boundary stakes and/or laths at the entrance to and the exit from public land. The holder shall maintain all boundary stakes and/or laths in place until final cleanup and restoration is completed and approved by the AO. The stakes and/or laths will then be removed at the direction of the AO.

No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of 6 inches deep, the soil shall be deemed too wet.

When construction activity in connection with the right-of-way breaks or destroys a natural barrier used for livestock control, gaps thus opened shall be fenced to prevent drift of livestock. The subject natural barrier shall be identified and fenced by the holder as per instructions of the AO.

Maintain a minimum of ten (10) feet of undisturbed surface between fence lines and roads that are constructed parallel to fences.

Each fence crossed by this right-of-way shall be braced and secured to prevent slacking of the wire, before cutting the wire. The opening thus created shall be temporarily closed as necessary during construction to prevent passage of livestock. Upon completion of construction, reconstruct the fence to Bureau of Land Management specifications.

Right-of-way clearing shall be limited to the access road plus 20 feet.

Side hill cuts of more than three (3) feet are not permitted. Areas requiring cuts greater than this shall be terraced so none are greater than three (3) feet.

Bury the pipeline in the existing well pad or twenty (20) feet from the edge of the traveled surface of the existing road.

The Holder shall re-contour disturbed areas, and obliterate all earthwork by removing embankments, backfilling excavations, and grading to reestablish the approximate original contours of the land in the right-of-way.

Construct earthen berms that are a minimum of four (4) feet high with a ditch that has a one (1) foot vertical face away from the right-of-way, i.e., towards the direction of potential traffic, cut at the base of the berm. Construct this type berm at each end of the right-of-way where it is separate from the road.

All above ground structures not subject to safety requirements shall be painted by the Holder to blend with the natural color of the landscape. A reflective material may be used to reduce hazards that may occur when such structures are near roads. Otherwise, the paint use shall be a non-glare, non-reflective, non-chalking color of Federal Juniper Green (595a-34127).

Seed all the disturbed areas (except the driving surface and road shoulders [entire area if road is to be reclaimed] road only) using the following designated seed mixture and to the specifications given. Disturbed areas shall be reseeded within one year of final construction.

LOCATION, ACCESS ROAD AND PIPELINE

Well area and lease premises will be maintained in a workmanlike manner with due regard to safety, conservation and appearance. All liquid waste, completion fluids and drilling products associated with oil and gas operations will be contained and then buried in place, or removed and deposited in an approved disposal site.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access road.

Mud and blow pits will be constructed so as not to leak, break or allow discharge of liquids or produced solids. At least half of the capacity of the reserve pit must be in cut. The top of the outside wall of reserve pit should be smoothed-off with a minimum of one blade width. The pit should have adequate capacity to maintain 2 feet of free board. Pits are not to be located

in natural drainages. Pit walls are to be "walked down" by a crawler type tractor following construction and prior to usage. Any plastic material used to line pits must be removed to below-ground level before pits are covered. The final grade of reserve pit (after reclamation) shall allow for drainage away from pit area.

All unguarded pits (reserve/production/blow pits) containing liquids will be fenced with woven wire. Drilling pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced. All fencing must be a legal fence in accordance with New Mexico State Law. Liquids in pits will be allowed to evaporate, or be properly disposed of, before pits are filled and re-contoured. (This office will be notified 24 hours prior to fluid hauling). Under no circumstances will pits be cut and drained. Aeration of pit fluids must be confined within pit area. Upon completion of the well the reserve pit will be covered with screening or netting and remained covered until the pit is reclaimed. All production pits 16 feet in diameter or larger will be covered with screening or netting.

No gravel or other related minerals from new or existing pits on federal land will be used in construction of roads, well sites, etc., without prior approval from the Surface Managing Agency.

Berms or fire walls will be constructed around all storage facilities sufficient in size to contain the storage capacity of tanks, or the combined capacity of tanks if a rupture could drain more than one tank. Berm walls will be compacted with appropriate equipment to assure proper construction.

All roads on public land must be maintained in good passable condition year round.

The holder shall conduct all activities associated with the construction, operation, and termination of the right-of-way within the authorized limits of the right-of-way.

A copy of these stipulations, including exhibits and the Plan(s) of Operation (if required), shall be at the project area and available to persons directing equipment operation.

Disposal of all liquid and solid waste produced during operation of this right-of-way shall be in an approved manner so it will not impact the air, soil, water, vegetation or animals.

The holder shall not violate applicable air and water quality standards or related facility citing standards established by or pursuant to applicable Federal and State law.

Use of pesticides and herbicides shall comply with applicable federal/state laws. Pesticides and herbicides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, holder shall obtain from the AO written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of storage and disposal of containers, and any other information deemed necessary. Emergency use of pesticides shall be approved in writing by the AO prior to use.

The holder shall be responsible for weed control and selective control of invasive weeds on disturbed and reclaimed areas within the limits of the well pad, associated road and pipeline ROW. The holder is responsible for consultation with the AO and/or local authorities for acceptable weed control methods within limits imposed in the conditions of approval.

The holder shall minimize disturbance to existing fences and other improvements on public land. 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 H-braced on both sides of the passageway prior to cutting the fence.

Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and equipment.

The holder shall maintain the ROW in a safe, useable condition, as directed by the AO. (A regular maintenance program shall include, but is not limited to, soil stabilization.)

Unless otherwise approved in writing by the AO, this road will be designed and constructed to conform with the Bureau of Land Management, New Mexico road construction/maintenance policy.

Public access along this road will not be restricted by the holder without specific written approval being granted by the AO. Gates or cattle-guards on the public land will not be locked or closed to public use unless specifically determined by the AO.

Unless otherwise approved in writing by the AO, drainage dip location for grades over two (2) percent shall be determined by the formula:

$$\text{Spacing Interval} = \frac{400 + 100'}{\text{road slope \%}} =$$

Example: For a road with a four (4) percent slope.

$$\text{Spacing Interval} = \frac{400 + 100'}{4\%} = 200 \text{ feet}$$

Unless otherwise approved in writing by the AO, all turnout ditches shall be graded to drain water with a one (1) percent minimum to three (3) percent maximum ditch slope. The spacing interval for turnout ditches shall be determined according to the following table, but may be amended depending upon existing soil types and centerline road grade:

SPACING INTERVAL FOR TURNOUT DITCHES

Percent Slope	Spacing Interval
0 - 4%	150-350 feet
4 - 6%	125-250 feet
6 - 8%	100-200 feet
8 - 10%	75-150 feet

Maintain the road so that user traffic remains within right-of-way and erosion is mitigated. Roads and road segments where serious erosional damage is occurring will be handled on a case-by-case basis. "Flat blading" will be avoided. An exemption would be permitted where bedrock is exposed at the surface. Roads will be maintained so that over time a proper road prism and good drainage is achieved. Maintenance will include drainage dips, turnout ditches, crowning and/or out-sloping/in-sloping, low water crossings and vehicle turnouts. Cattle guards and culverts will be cleaned and repaired or replaced. Surfacing may be required.

Failure of the holder to share maintenance costs in dollars, equipment, materials or man-power proportionate to the holder's use with other authorized users may be adequate grounds to terminate right-of-way grant. The determination as to whether this has occurred and the decision to terminate shall rest with the AO. Upon request, the AO shall be provided with copies of any maintenance agreement entered into.

CULTURAL RESOURCES

Discovery of Cultural Resources in the Absence of Monitoring

If, in its operations, operator/holder discovers any previously unidentified historic or prehistoric cultural resources, then work in the vicinity of the discovery will be suspended and the discovery promptly reported to Bureau of Land Management Field Manager. The Bureau of Land Management will then specify what action is to be taken. If there is an approved "discovery plan" in place for the project, then the plan will be executed. In the absence of an approved plan, the Bureau of Land Management will evaluate the significance of discovery and consult with the State Historic Preservation Officer in accordance with 36 CFR Section 800.11. Minor recordation, stabilization, or data recovery may be performed by a Bureau of Land Management or permitted cultural resources consultant. If warranted, more extensive treatment by a permitted cultural resources consultant may be required of the operator/holder prior to allowing the project to proceed. Further damage to significant cultural resources will not be allowed until any required treatment is completed. Failure to notify BLM about a discovery may result in civil or criminal penalties in accordance with the Archeological Resources Protection Act of 1979 (as amended).

Discovery of Cultural Resources During Monitoring

If monitoring confirms the presence of previously unidentified cultural resources, then work in the vicinity of the discovery will be suspended and the monitor will promptly report the discovery to the Bureau of Land Management Field Manager. The Bureau of Land Management

will then specify what action is to be taken. If there is an approved "discovery plan" in place for the project, then the plan will be executed. In the absence of an approved plan, the Bureau of Land Management will evaluate the significance of the discovery and consult with the State Historic Preservation Officer in accordance with 36 CFR Section 800.11. Minor recordation, stabilization, or data recovery may be performed by a Bureau of Land Management or permitted cultural resources consultant. If warranted, more extensive treatment by a permitted cultural resources consultant may be required of the operator/holder prior to allowing the project to proceed. Further damage to significant cultural resources will not be allowed until any required treatment is completed.

Damage to Sites

If, in its operations, operator/holder damages, or is found to have damaged any previously documented or undocumented historic or prehistoric cultural resources, excluding "discoveries" as noted above, the operator/holder agrees at his/her expense to have a permitted cultural resources consultant prepare and have executed a Bureau of Land Management approved data recovery plan. Damage to cultural resources may result in civil or criminal penalties in accordance with the Archeological Resources Protection Act of 1979 (as amended).

RE-SEEDING

Type	Variety/Cultivars	PLS/A
Wester wheat grass	Arriba	2.0 lbs.
Indian rice grass	Paloma	1.0 lbs.
Pubescent wheat grass	Luna	2.0 lbs.
Intermediate wheat grass	Oahe	2.0 lbs.
Small burnet	Delar	1.0 lbs.
Blue grama	Hatcheta or Alma	.25 lbs.
Antelope bitterbrush	Unknown	.10 lbs.
Four wing saltbush	Unknown	.25 lbs.

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

$$\text{Present Pure Live Seed (PLS)} = \text{Purity} \times \text{Germination} / 100$$

Two lots of seed can be compared on the basis of PLS as follows:

Source No. One (poor quality)		Source No. two (better quality)	
Purity	50 percent	Purity	80 percent
Germination	40 percent	Germination	63 percent
Percent PLS	20 percent	Percent PLS	50 percent
5 lb. bulk seed required to make 1 lb. PLS.		2 lb. bulk seed required to make 1 lb. PLS.	

Seed mixture used must be certified. There shall be NO primary or secondary noxious weeds in seed mixture. Seed labels from each bag shall be available for inspection while seed is being sown.

Seeding shall be accomplished between July 1 and September 15 (later date may be extended on a case-by-case basis with AO approval). Seeding shall be repeated if a satisfactory stand is not obtained as determined by the AO upon evaluation after the second growing season.

Compacted areas shall be ripped to a depth of 12" and disked to a depth of six inches before seeding. Seed with a disk-type drill with two boxes for various seed sizes. The drill rows shall be eight to ten inches apart. Seed shall be planted at not less than one-half inch deep or more than one inch deep. The seeder shall be followed with a drag, packer, or roller to ensure uniform coverage of the seed, and adequate compaction. Drilling shall be done on the contour where possible, not up and down the slope.

Where slopes are too steep for contour drilling a "cyclone" hand seeder or similar broadcast seeder shall be used. Seed shall then be covered to the depth described above by whatever means is practical, i.e., hand raked. If the seed is not covered, the prescribed seed mixture amount (pounds/acre/PLS) will be doubled.

If, upon abandonment of wells, the retention of access road is not considered necessary for the management and multiple-use of the natural resources, it will be ripped a minimum of 12" in depth. After ripping, water bars will be installed. All ripped surfaces are to be protected from vehicular travel by construction of a dead end ditch and earthen barricade at the entrance to these ripped areas. (Re-seeding of affected areas may be required.)

ABANDONMENT

Ninety days prior to termination of the ROW, the holder shall contact the AO to arrange a joint inspection of the ROW. This inspection will be held to agree to an acceptable termination and rehabilitation plan. This plan shall include, but is not limited to, removal of facilities, drainage structures, or surfacing material, re-contouring, top soiling or seeding. The AO must approve the plan in writing prior to the holder's commencement of any termination actions.



BLM Report Number: 2004(III)087.1F
USGS Map: Farmington South
Activity Code: 1310

CULTURAL RESOURCE RECORD OF REVIEW
BUREAU OF LAND MANAGEMENT
FARMINGTON FIELD OFFICE

1. Description of Report/Project:

Project Name: FRPC Number 19-2 Relocated Well Pad and Pipeline

Note: Project area has been previously inventoried; no new inventory

Project Sponsor: Lance Oil & Gas

Arch. Firm & Report No.: Western Archaeological Services WAS 0415

Location: T29N, R13W, Sec. 19 Well Footages: 688 FNL 836 FWL

Project Dimensions: 170' x 135' - staked well (a construction zone is not needed)
954.34' x ?' - pipeline

Sites Located: No Yes

Determination: No Cultural Resources
No Effect

No Historic Properties
No Adverse Effect

2. Field Check: No Yes Date: 7/7/04

Comment/Results: Entire project is within a gravel pit. No cultural remains were found.

3. Recommendation: *PROCEED WITH ACTION* *STIPULATIONS ATTACHED*

4. Reviewer /Archaeologist: Raymond Medlock **Date:** 7/7/04

Report Summary	BLM	Other	Total
Acres Inventoried	0	0	0
Sites Recorded	0	0	0
Prev. Recorded Sites	0	0	0
Sites Avoided	0	0	0
Sites Treated	0	0	0