Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA
FEB 11 2009

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

5. Lease Serial No.
NM-101597

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/o

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No
Spanglish BLS Federal #2H

2 Name of Operator
Yates Petroleum Corporation 025575

9 API Well No
30-015-36785

3a. Address
105 South Fourth Street, Artesia, NM 88210

3b Phone No. *(include area code)*
(505) 748-1471

10. Field and Pool, or Exploratory Area
Wildcat Wolfcamp

4. Location of Well *(Footage, Sec., T, R, M., or Survey Description)*
2167' FNL and 350' FEL Surface Hole Location
1700' FNL and 330' FWL Bottom Hole Location
Section 6, T16S-R30E

11. County or Parish, State
Eddy County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Amend Surface Use Plan.
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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)

Please note the Surface Hole Location for the Spanglish BLS Federal #2H has been moved from 2310' FNL and 350' FEL to 2167' FNL and 350' FEL of Section 6, T16S-R30E, Eddy County, New Mexico. The Bottom Hole Location will remain the same.

We will be using a closed loop drilling system instead of a temporary drilling pit.

The closed loop system will be set up on the location to the north and the V-door will be facing to the east.

Please note the attached replacement pages for the Surface Use Plan.

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)* Cy Cowan

Title Regulatory Agent / Land Department

Signature

Date January 27, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by /s/ Don Peterson

Title AFM

Date FEB 09 2009

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, 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)

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, 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 Department

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

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Wildcat Wolfcamp

Property Code	Property Name	Well Number
	SPANGLISH "BLS" FEDERAL	2H

OGRID No.	Operator Name	Elevation
025575	YATES PETROLEUM CORP.	3815'

Surface Location

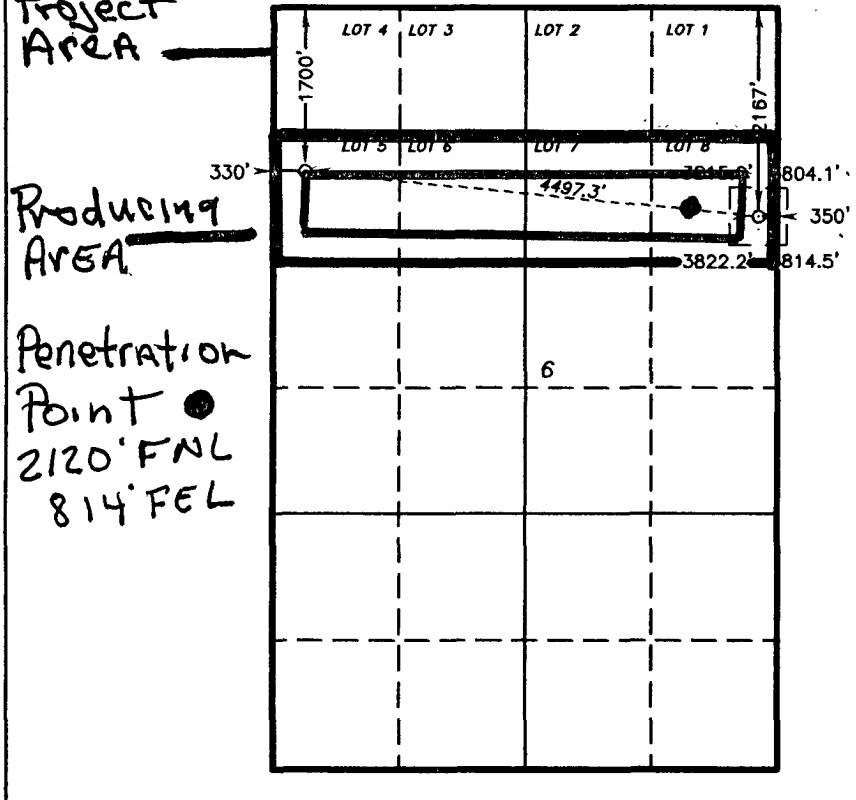
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 8	6	16 S	30 E		2167	NORTH	350	EAST	EDDY

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
LOT 5	6	16 S	30 E		1700	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
156.02			

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



BOTTOM HOLE LOCATION
Lat - N32°57'38.35"
Long - W104°01'06.76"
SPC- N.: 713365.717
E.: 637887.389
(NAD-83)

SURFACE LOCATION
Lat - N32°57'33.63"
Long - W104°00'14.27"
SPC- N.: 712902.127
E.: 642360.685
(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 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 1/26/09 Date

Cy Cowan Regulatory
Printed Name Agent

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 supervison, and that the same is true and correct to the best of my belief.

JANUARY 22, 2009
Date Surveyed

Signature & Seal of Professional Surveyor

W.O. [illegible]13

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

YATES PETROLEUM CORPORATION
Spanglish BLS Federal #2H
2167 FNL and 350' FEL, Section 6-16S-30E (Surface Hole Location)
1700' FNL and 330' FWL, Section 6-16S-30E (Bottom Hole Location)
Eddy County, New Mexico

1. **The estimated tops of geologic markers are as follows:**

Yates	1190'		Glorieta	4168'	
Seven Rivers	1320'		Tubb	5330'	
Queen	1843'	Oil/Gas	ABO	6318'	Gas
Grayburg	2409'	Oil	Wolfcamp	7364'	Oil
San Andres	2647'	Oil	TVD	7420'	
			TMD	11765'	

2. **The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:**

Water: 200'
Oil or Gas: See above

See COA

3. **Pressure Control Equipment:** BOPE will be installed on the 8 5/8" casing and rated for 3000 psi BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. **THE PROPOSED CASING AND CEMENTING PROGRAM:**

A. Casing Program: **(All New)**

Hole Size	Casing Size	Wt./Ft	Grade	Thread	Interval	Length
14 3/4"	11 3/4"	42#	H-40	ST&C	0-400'	400'
11"	8 5/8"	32#	J-55	ST&C	0-100'	100'
11"	8 5/8"	24#	J-55	ST&C	100-2200'	2100'
11"	8 5/8"	32#	J-55	ST&C	2200-2750'	550'
7 7/8"	5 1/2"	17#	HCP-110	LT&C	0'-11765' MD	11765'

Pilot hole will be drilled to 7420'. The well will then be plugged back and will kick off at approximately 6868' at 12 degrees per 100' with a 7 7/8" hole to 11765' MD with a TVD of 7438'. The penetration point of producing zone will be encountered at 2120' FNL & 814' FEL. The deepest TVD in the lateral will be 7438'. We request a variance be given to test the BOP on the surface casing to ~~1000 psi using rig pumps.~~ See COA

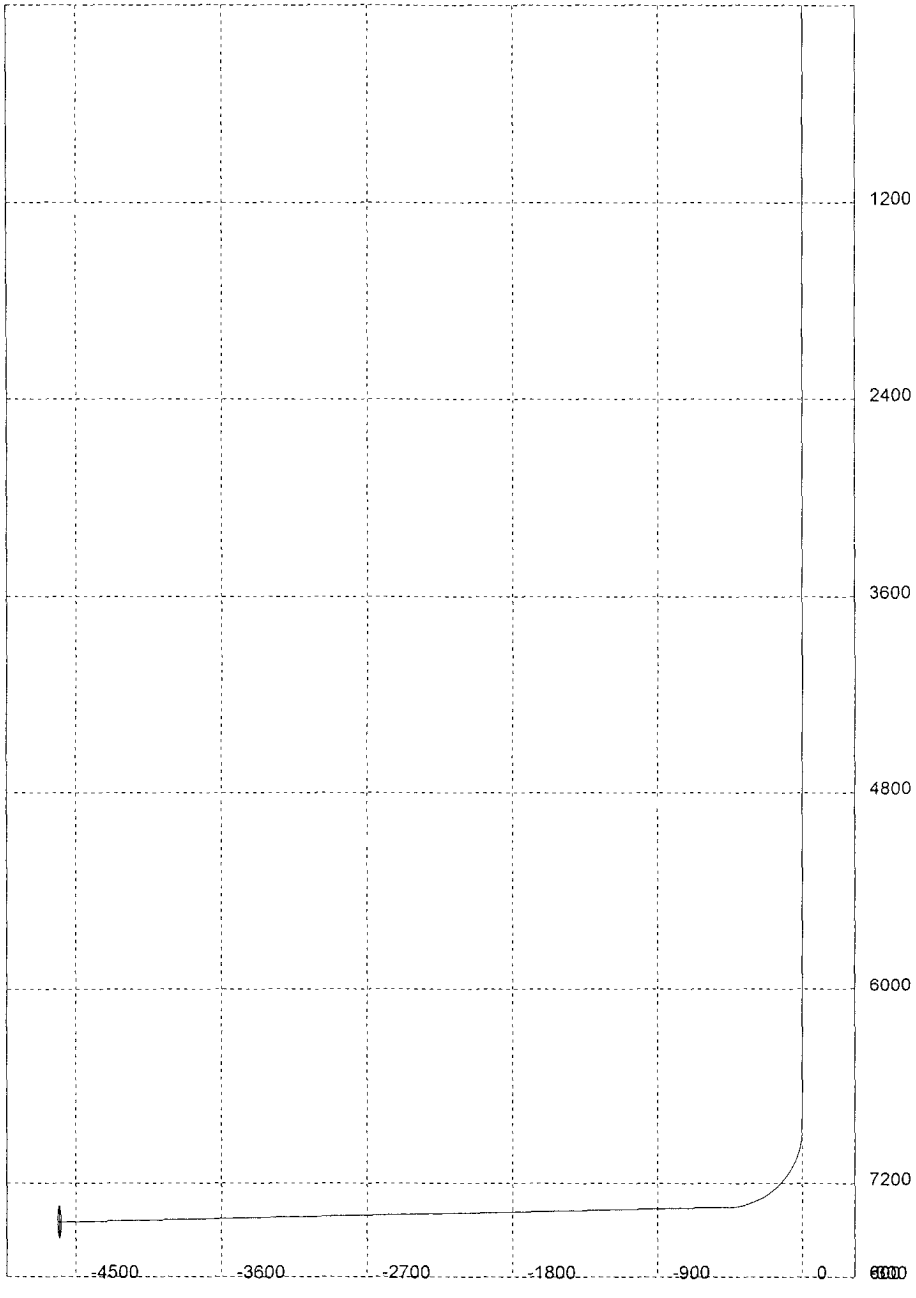
Minimum Casing Design Factors: Burst 1.0, Tensile Strength 1.8, Collapse 1.125

M.D.	Inclination	Azimuth	T.V.D.	N+/S-	E+/W-	D.L.S.	ToolFace	T.F. Ref. [HS/GN]	
0	0	0	0	0	0	0			
1,190	0	0	1,190	0	0	0			YATES
1,320	0	0	1,320	0	0	0			SEVEN RIVERS
1,843	0	0	1,843	0	0	0			QUEEN
2,409	0	0	2,409	0	0	0			GRAYBURG
2,647	0	0	2,647	0	0	0			SAN ANDRES
4,168	0	0	4,168	0	0	0			GLORIETA
5,330	0	0	5,330	0	0	0			TUBB
6,318	0	0	6,318	0	0	0			ABO
6868	0	0	6868	0	0	12	276	GN	KOP
6875	0 84	275 8	6875	0 01	-0 05	12	360	HS	
6900	3 84	275 8	6899.98	0 11	-1 07	12	360	HS	
6925	6 84	275 8	6924 87	0 34	-3 38	12	360	HS	
6950	9.84	275.8	6949 6	0 71	-6 99	12	0	HS	
6975	12.84	275 8	6974.11	1 21	-11.88	12	360	HS	
7000	15.84	275.8	6998 33	1 83	-18.04	12	0	HS	
7025	18.84	275.8	7022 19	2.58	-25.45	12	360	HS	
7050	21.84	275.8	7045.63	3 46	-34.09	12	0	HS	
7075	24 84	275 8	7068 58	4 46	-43 95	12	0	HS	
7100	27 84	275 8	7090.98	5 58	-54 98	12	360	HS	
7125	30 84	275 8	7112 77	6.82	-67 17	12	0	HS	
7150	33 84	275 8	7133.89	8 17	-80 47	12	360	HS	
7175	36 84	275.8	7154 28	9 63	-94 86	12	0	HS	
7200	39 84	275 8	7173.89	11 2	-110 28	12	0	HS	
7225	42 84	275.8	7192 65	12 86	-126.71	12	360	HS	
7250	45.84	275 8	7210.53	14 63	-144.09	12	0	HS	
7275	48.84	275 8	7227 47	16 49	-162 38	12	0	HS	
7300	51 84	275 8	7243 43	18.43	-181 53	12	360	HS	
7325	54 84	275 8	7258.35	20 45	-201.48	12	0	HS	
7350	57 84	275 8	7272 21	22.56	-222.18	12	360	HS	
7375	60.84	275 8	7284 95	24.73	-243.57	12	0	HS	
7400	63.84	275.8	7296.56	26.96	-265 6	12	360	HS	
7425	66 84	275 8	7306.99	29.26	-288 2	12	0	HS	
7450	69 84	275 8	7316 21	31 6	-311 31	12	0	HS	
7475	72 84	275 8	7324 21	34	-334.87	12	360	HS	
7500	75 84	275.8	7330.96	36.43	-358.82	12	360	HS	
7525	78.84	275 8	7336 44	38 89	-383 08	12	0	HS	
7550	81.84	275.8	7340 63	41.38	-407 6	12	0	HS	
7575	84 84	275.8	7343.53	43 89	-432.3	12	360	HS	
7600	87.84	275 8	7345.13	46.41	-457.12	12	0	HS	
7607.36	88.72	275.8	7345.35	47 15	-464.44	0			Producing Zone
11765 21	88.72	275.8	7438	467	-4600	0			Lateral TD

Pilot hole will be drilled to 7420'. Well will then be plugged back and kicked off at approx. 6868' at 12 degrees per 100' to 11,765' MD with a TVD of 7,438'. Penetration point of producing formation encountered at 2120' FNL and 814' FEL, 6-16S-30E. Deepest TVD of the well will be in the lateral @ 7,438'.

3D³ Directional Drilling Planner - 3D View

Company: **Yates Petroleum Corporation**
Well: **Spanglish BLS Federal #2H**



File: G:\drilling toolbox wellplans\Horizontal\spanglish2h(revised again).wpp

3D³ Directional Drilling Planner - 3D View

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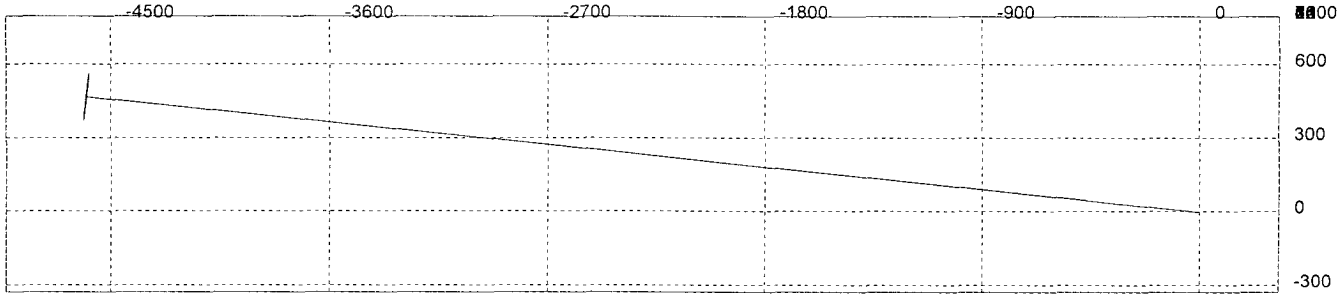

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B. **CEMENTING PROGRAM:**

Surface Casing: 275 sx "C" with 2%CaCl2 (WT 14.80 YLD 1.34). **Cement to surface.**

Intermediate Casing: 575 sx C Lite (Wt. 12.50 YLD 2.04). Tail in with 200 sx C + 2% CaCl2 (Wt 14.80 YLD 1.33). **Cement at surface.**

Production Casing: **TOC 2250'**, Lead w/ 600 sx 50:50:10C (WT 11.60 YLD 2.43). Tail in with 1275 sx 50:50:4C (WT 13.50 YLD 1.46)

5. Mud Program and Auxiliary Equipment:

Interval	Type	Weight	Viscosity	Fluid Loss
Spud to 400'	Fresh Water Gel	8.6-9.0	32-34	N/C
400'-2750'	Brine Water	10.0-10.2	28-28	N/C
2750'-6300'	Cut Brine	8.7-9.2	28-28	N/C
6300'-7420'	Cut Brine	8.7-9.2	28-28	<10-15
6868'-11765'	Cut Brine (Lateral Section)	8.7-9.2	28-28	<10-12

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10' out from under intermediate casing to TD.
Logging: Platform Express CNL/LDT/NGT to intermediate casing, CNL/GR TD to Surface, DLL-MSFL TD to surface Casing, BHC-Sonic TD to surface casing.
Horizontal Lateral: MWD / GR.
Coring: None anticipated.
DST's: None anticipated.
Mudlogging: Yes
H2S: None anticipated.

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE AND POTENTAL HAZARDS:

Anticipated BHP:

From:	0	TO	400' TVD	Anticipated Max. BHP:	190	PSI
From:	400'	TO	2750' TVD	Anticipated Max. BHP:	1460	PSI
From:	2750'	TO	7438' TVD	Anticipated Max. BHP.	3560	PSI

Abnormal Pressures Anticipated: None

Lost Circulation Zones Anticipated: None

H2S Zones Anticipated: None

Maximum Bottom Hole Temperature: 120° F

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 45 days to drill the well with completion taking another 30 days.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
Yates Petroleum Corporation
Spanglish BLS Federal #2H
2167' FNL and 350' FEL, 6-16S-30E (Surface Hole Location)
1700' FNL and 330' FWL, 6-16S-30E (Bottom Hole Location)
Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed well site is located approximately 9.7 miles north of Loco Hills, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go east of Artesia, NM on highway 82 to Loco Hills, NM. Turn north at Loco Hills on the Hagerman cutoff for approximately 8.6 miles to Booger Langston Road. Continue going north on Hagerman Cutoff for approximately 1.1 miles more. There will be a Chaves Co. line marker and a lease road to the left. Turn left here on lease road and go approximately 1 mile. There will be a faint two track road going to the left. (Flags in the bushes). Turn left on two track and go approximately 0.7 of a mile to the proposed Spanglish BLS Federal #1H. From here continue south on the two track road for approximately .9 of a mile to the northwest corner of the proposed Spanglish BLS Federal #2H well location. Please note part of the road has a berm across it and has been reclaimed.

2. PLANNED ACCESS ROAD:

A. The proposed new road will go south for about 0.9 of a mile to the northwest corner of the drilling pad.
B. The new road will be 14' in width (driving surface) and will be adequately drained to control runoff and soil erosion.
C. The new road will be bladed with drainage on one side. Three traffic turnouts may be built if needed.
D. The route of the road is visible.
E. Existing roads will be maintained in the same or better condition.

3. LOCATION OF EXISTING WELL

A. There is drilling activity within a one-mile radius of the well site.
B. Exhibit D shows existing wells within a one-mile radius of the proposed well site.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. There are no production facilities on this lease at the present time.
B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power until an electric power line can be built if needed.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

The dirt contractor will acquire any materials from the closest source at the time of construction of the well pad.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. Drill cuttings will be collected in tanks until hauled to an approved disposal system being Gandy/Marley, Lea Land Farm or CRI.
B. A closed loop system will be constructed, maintained and closed in compliance with the State of New Mexico, Energy and Natural Resources Department, Oil Conservation Division—the "Pit Rule" 19.15.17 NMAC.
C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
D. Oil produced during operations will be stored in tanks until sold.
E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not approved.

8. ANCILLARY FACILITIES: None

9. WELLSITE LAYOUT:

A. Exhibit C shows the relative location and dimensions of the well pad, closed loop system, the location of the drilling equipment, rig orientation and access road approach.
B. The closed loop system will be constructed, maintained, and closed in compliance with the State of New Mexico, Energy and Natural Resources Department, Oil Conservation Division – the "Pit Rule" 19.15.17 NMAC.
C. A 600' x 600' area has been staked and flagged.

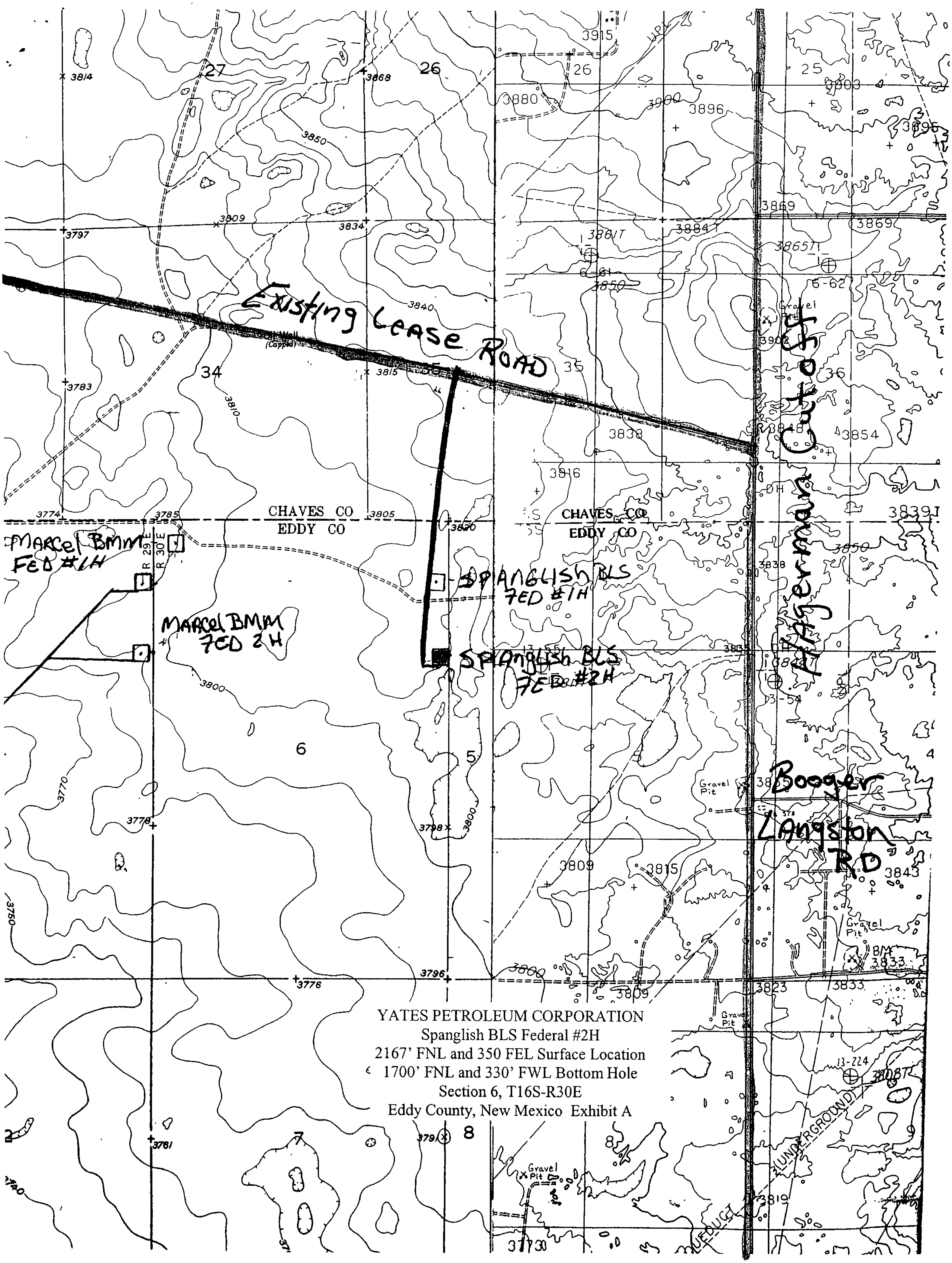
10. PLANS FOR RESTORATION

A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the well site in as aesthetically pleasing a condition as possible.
B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.

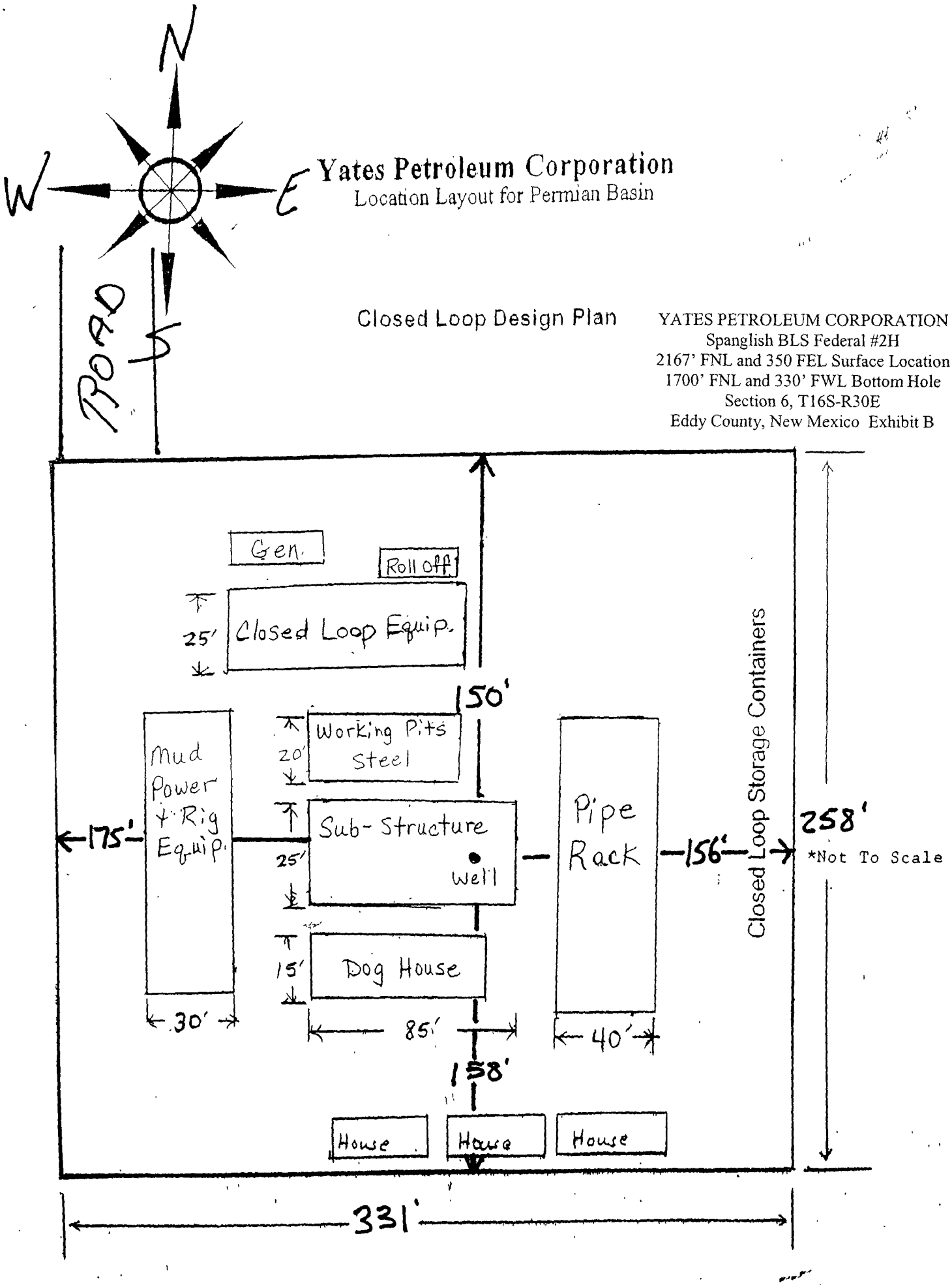
11. SURFACE OWNERSHIP: Federal Surface leased for grazing.

12. OTHER INFORMATION:

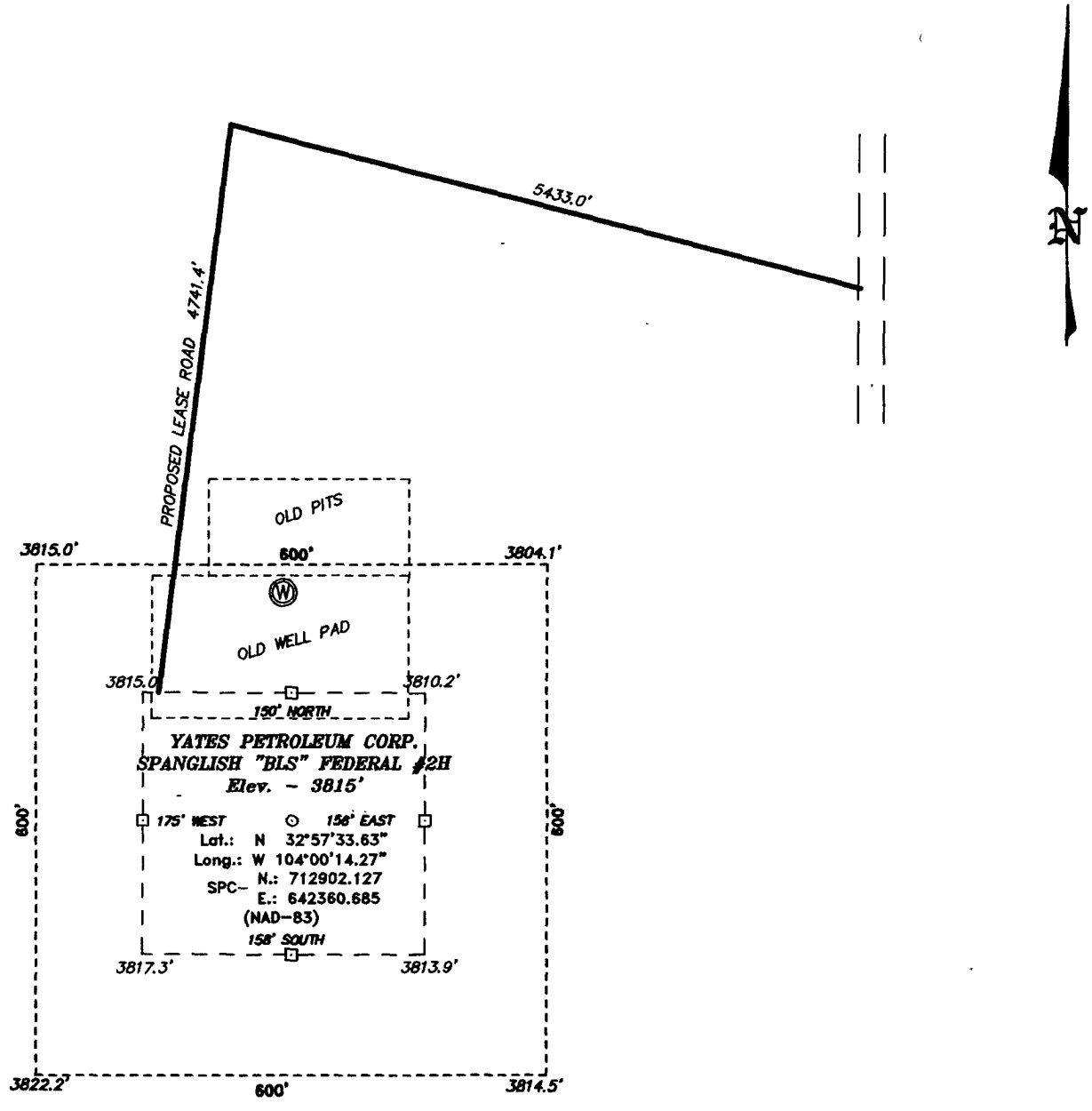
A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
B. The primary surface use is for grazing.



YATES PETROLEUM CORPORATION
Spanglish BLS Federal #2H
2167' FNL and 350 FEL Surface Location
1700' FNL and 330' FWL Bottom Hole
Section 6, T16S-R30E
Eddy County, New Mexico Exhibit A


N
W
E
S
ROAD
Yates Petroleum Corporation
Location Layout for Permian Basin
Closed Loop Design Plan
YATES PETROLEUM CORPORATION
Spanglish BLS Federal #2H
2167' FNL and 350 FEL Surface Location
1700' FNL and 330' FWL Bottom Hole
Section 6, T16S-R30E
Eddy County, New Mexico Exhibit B
Gen.
Roll off
25'
Closed Loop Equip.
150'
Working Pits
Steel
20'
Mud
Power
& Rig
Equip.
175'
Sub-Structure
Well
25'
Pipe
Rack
156'
Closed Loop Storage Containers
258'
*Not To Scale
15'
Dog House
30'
85'
40'
158'
House
House
House
331'

SECTION 6, TOWNSHIP 16 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



200 0 200 400 FEET

SCALE: 1" = 200'

YATES PETROLEUM CORP.

REF: SPANGLISH "BLS" FEDERAL #2H / WELL PAD TOPO

THE SPANGLISH "BLS" FEDERAL #2H LOCATED 2167' FROM THE NORTH LINE AND 350' FROM THE EAST LINE OF SECTION 6, TOWNSHIP 16 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

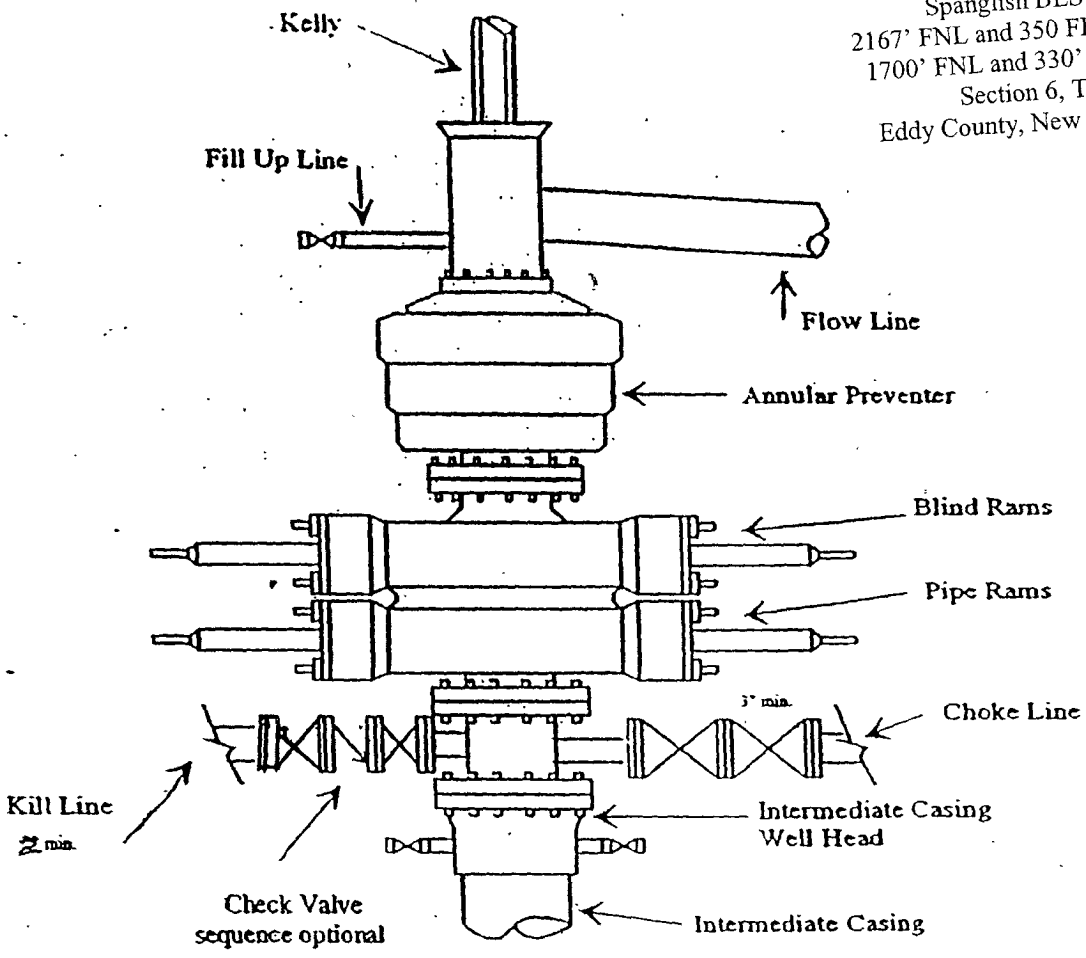
W.O. Number: 20813	Drawn By: J. M. SMALL		
Date: 01-26-2009	Disk: 20813 JMS	Survey Date: 01-22-2009	Sheet 1 of 1 Sheets

Yates Petroleum Corporation

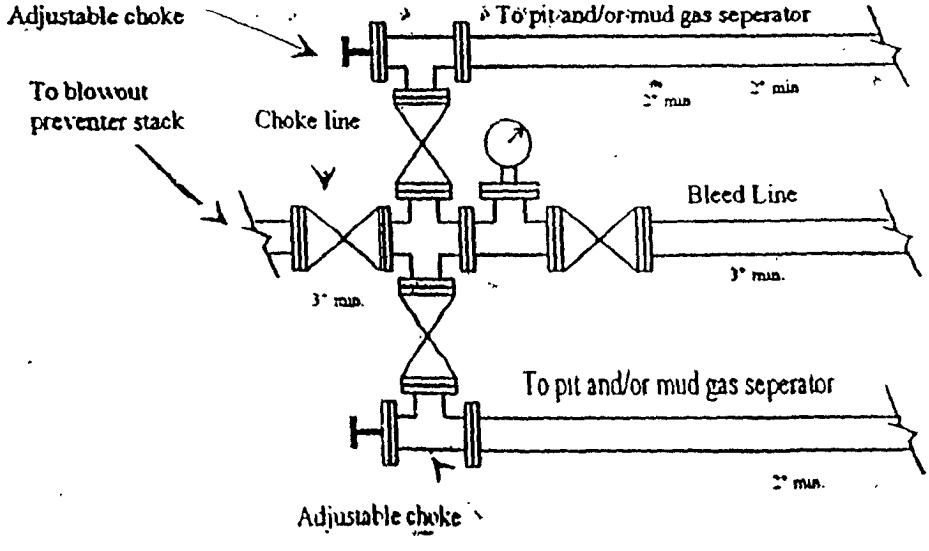
BOP-3

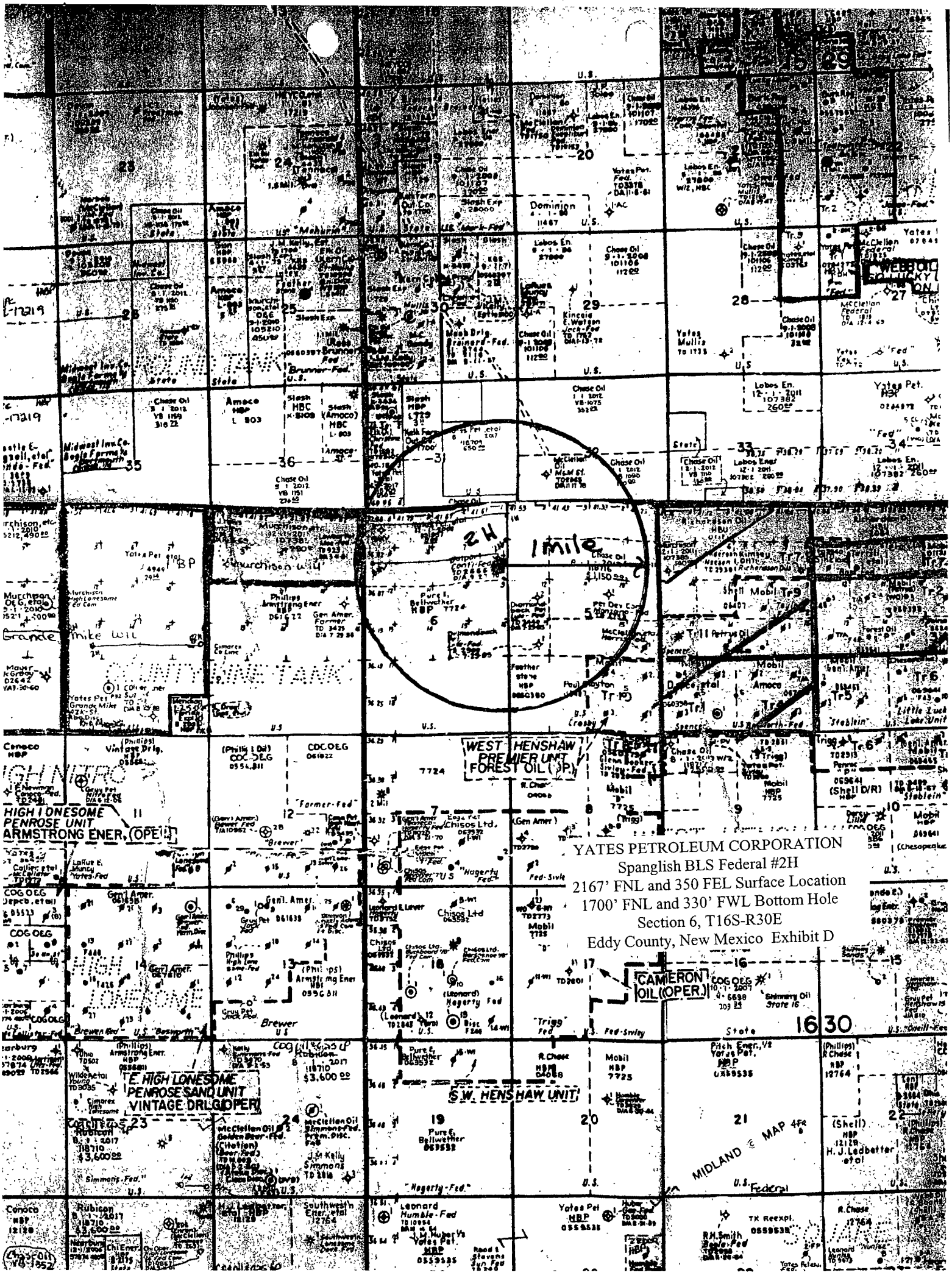
Typical 3,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack

YATES PETROLEUM CORPORATION
Spanglish BLS Federal #2H
2167' FNL and 350 FEL Surface Location
1700' FNL and 330' FWL Bottom Hole
Section 6, T16S-R30E
Eddy County, New Mexico Exhibit C



Typical 3,000 psi choke manifold assembly with at least these minimun features




2H
1 Mile
WEST HENSHAW PREMIER UNIT FOREST OIL (OP.)
HIGH LONESOME PENROSE UNIT ARMSTRONG ENER. (OPER.)
E. HIGH LONESOME PENROSE SAND UNIT VINTAGE DRLG (OPER.)
S.W. HENSHAW UNIT
CAMERON OIL (OPER.)
MIDLAND MAP 4FR
YATES PETROLEUM CORPORATION
Spanglish BLS Federal #2H
2167' FNL and 350 FEL Surface Location
1700' FNL and 330' FWL Bottom Hole
Section 6, T16S-R30E
Eddy County, New Mexico Exhibit D

OPERATOR'S NAME:	Yates Petroleum Corporation
LEASE NO.:	NM101597
WELL NAME & NO.:	Spanglish BLS Federal No 2H Relocation
SURFACE HOLE FOOTAGE:	**2167 FNL & 350 FEL, Section 06, T. 16 S., R. 30 E**
BOTTOM HOLE FOOTAGE	**1700 FNL & 330 FWL, Section 06, T. 16 S., R. 30 E**
LOCATION:	Section 06, T. 16 S., R. 30 E NMPM
COUNTY:	Eddy County, New Mexico

Well Relocation Conditions of Approval (COA)

All of the requirements listed below will apply as follows:

- The Pecos District COAs previously approved under the Spanglish BLS Federal No 2H APD will still apply except for the following changes:
  - V-DOOR EAST AND CLOSED LOOP REQUIRED
  - Archaeological COAs (see attached document)
    - Pre-construction notification
    - Archaeological monitor required during construction

EXHIBIT NO. 1

Date of Issue: 1/29/2009

Bureau of Land Management, Carlsbad Field Office
620 E. Greene Street Carlsbad, NM 88220

Cultural and Archaeological Resources

NOTICE OF STIPULATIONS

BLM Report No. 09-NM-523-237.1

Historic properties in the vicinity of this project are protected by federal law. In order to ensure that they are not damaged or destroyed by construction activities, the project proponent and construction supervisors shall ensure that the following stipulations are implemented.

Project Name:	Spanglish BLS Federal No. 2-H Well
	1). A 3-day preconstruction call-in notification. Contact BLM Inspection and Enforcement at
Required	***2. Professional archaeological monitoring***. Contact your BLM project archaeologist at 234-5917.
A. ☒	These stipulations must be given to your monitor at least **5 days** prior to the start of construction.
B. ☒	No construction, including vegetation removal or other site prep may begin prior to the arrival of the monitor.
	3. Cultural site barrier fencing. (Your monitor will assist you).
A. ☐	A temporary site protection barrier(s) shall be erected prior to all ground-disturbing activities. The minimum barrier(s) shall consist of upright wooden survey lath spaced no more than ten (10) feet apart and marked with blue ribbon flagging or blue paint. There shall be no construction activities or vehicular traffic past the barrier(s) at any time.
B. ☐	A permanent, 4-strand barbed wire fence strung on standard "T-posts" shall be erected prior to all ground-disturbing activities. No construction activities or vehicle traffic are allowed past the fence.
Required	***4. The archaeological monitor shall:***
A. ☐	
B. ☒	**Observe all ground-disturbing activities within 200 feet of cultural site LA 161686.**
C. ☒	**Ensure that the proposed construction does not pass the staked southern edge of the pad. The southern edge of the proposed pad is marked with laths with blue flagging tape. Ensure that all equipment, construction, and vehicles remain within the approve construction area [not south of the staked edge of the well pad].**
D. ☐	Ensure the proposed reroute for the .
E. ☒	**Submit a brief monitoring report within 30 days of completion of monitoring.**
	If subsurface cultural resources are encountered during the monitoring, all activities shall cease and a BLM-CFO archaeologist shall be notified immediately.
Other:	IF THE CONTRACT ARCHAEOLOGIST DOES NOT KNOW WHERE THE SITE(S) ARE LOCATED AT PLEASE COME BY THE CARLSBAD BLM AND MAPS AND OTHER DATA WILL BE PROVIDED UPON REQUEST TO THE CONTRACT ARCHAEOLOGIST

Site Protection and Employee Education: It is the responsibility of the project proponent and his construction supervisor to inform all employees and subcontractors that cultural and archaeological sites are to be avoided by all personnel, vehicles, and equipment; and that it is illegal to collect, damage, or disturb cultural resources on Public Lands.

For assistance contact: Martin Stein (575) 234-5967 Bruce Boeke (575) 234-5917 George MacDonell (575) 234-2228