

OCD-ARTESIA
MAY 27 2009

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

ATS-09-337
EA-09-588

Rm

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

UNORTHODOX LOCATION

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 54856 ; (SL NM 12110)	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator RSC Resources Limited Partnership		7. If Unit or CA Agreement, Name and No.	
3a. Address 6824 Island Cir., Midland, Tx 79707		8. Lease Name and Well No. Lucky Wolf 30 Fed. Com. No. 1H	
3b. Phone No. (include area code) 432-553-1849		9. API Well No. 30-015-37105	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 860' FSL & 100' FWL At proposed prod. zone 990' FSL & 330' FEL ROSWEEL CONTROLLED WATER BASIN		10. Field and Pool, or Exploratory Dog Canyon: Wolfcamp ✓	
14. Distance in miles and direction from nearest town or post office* Approx. 15 miles NW of Loco Hills, NM		12. County or Parish Eddy	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 100' at Surface 330' at producing Zone	16. No. of acres in lease 1120 (40 to this Unit)	17. Spacing Unit dedicated to this well ~ 160	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 990'	19. Proposed Depth 6450' TVD; 11,200' MD	20. BLM/BIA Bond No. on file NMB 000437	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3505' GL	22. Approximate date work will start* 06/01/2009	23. Estimated duration 45 Days	

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 certification |
| 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 |

25. Signature <i>[Signature]</i>	Name (Printed/Typed) Randall Cate	Date 03/10/2009
Title PRESIDENT		
Approved by (Signature) Is/ Don Peterson	Name (Printed/Typed) Is/ Don Peterson	Date MAY 22 2009
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

Statement Accepting Responsibility For Operations

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Date: March 19, 2009

Lease #: NM ~~5~~¹⁴54856 Well: Lucky Wolf "30" Federal Com # 1H

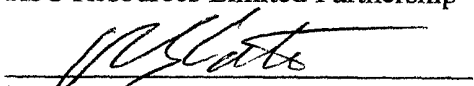
Legal Description: SWSW Sec. 30-T16S-R28E
Eddy County, NM

Formations: Permian (through Wolfcamp)

Bond Coverage: Statewide

BLM Bond File #: NMB 000437

RSC Resources Limited Partnership


Randall Cate, President

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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 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 30-015-37105	Pool Code 17970	Pool Name DOG CANYON: WOLF CAMP
Property Code 37505	Property Name LUCKY WOLF 30 FED. COM	Well Number 1H
OGRID No. 245801	Operator Name RSC RESOURCES, L.P.	Elevation 3504.8'

Surface Location

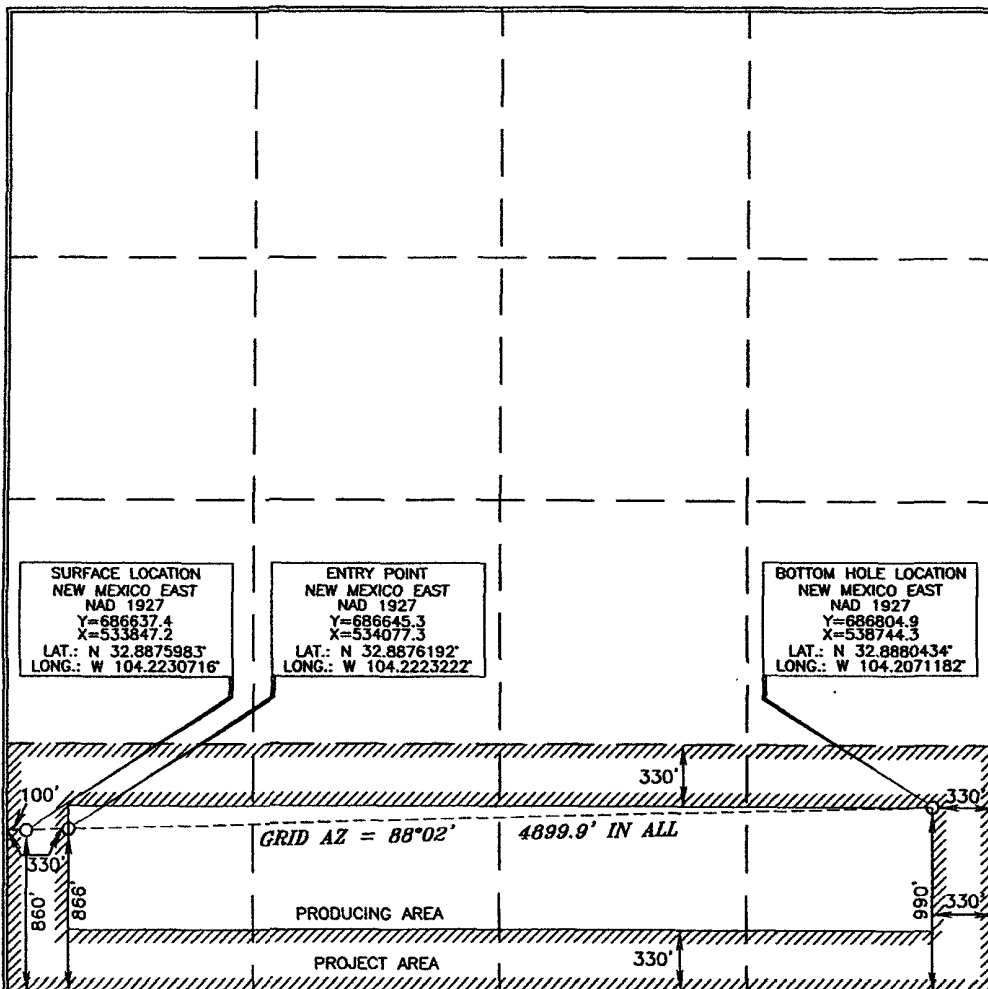
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	30	16 SOUTH	28 EAST, N.M.P.M.		860'	SOUTH	100'	WEST	EDDY

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
P	30	16 SOUTH	28 EAST, N.M.P.M.		990'	SOUTH	330'	EAST	EDDY

Dedicated Acres 160	Joint or Infill Joint	Consolidation Code	Order No.
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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.



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] 3/19/09
Signature Date

RANDALL CATE
Printed Name

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.

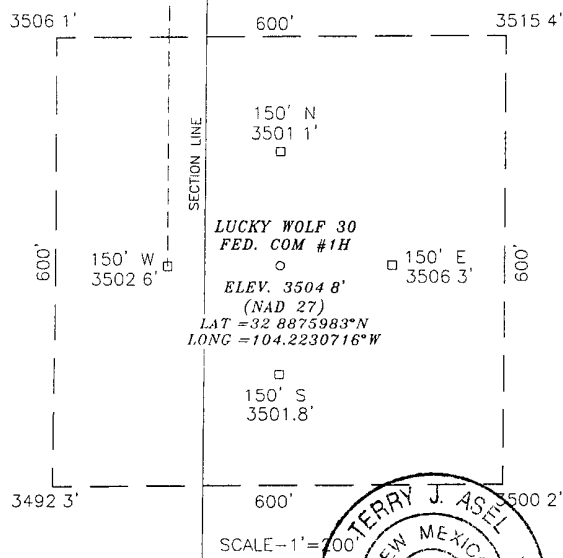
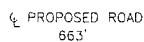
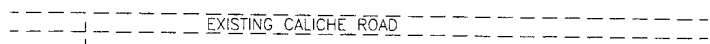
15079
JANUARY 6, 2009
Date of Survey

Signature and Seal of Professional Surveyor

[Signature] 1/14/2009
Certificate Number 15079

WO# 081229WL-a (XA)

Basis of Bearings - GPS Geodetic Measurements
NAD 83 North American Datum of 1983



DIRECTIONS
BEGINNING IN ARTESIA AT THE
INTERSECTION OF U S HWY #285 AND
U S HWY #82, GO EAST ON U S HWY
#82 FOR APPX 9.5 MILES, TURN
NORTH ON EDDY COUNTY ROAD #202
(SOUTHERN UNION ROAD) FOR 2.8
MILES, TURN NORTHEAST ON EDDY
COUNTY ROAD #202 FOR 1.3 MILES,
TURN NORTHWEST FOR 0.1 MILES,
TURN NORTH ON LEASE ROAD FOR 2.0
MILES, TURN WEST ON CALICHE ROAD
FOR 0.4 MILES, TURN SOUTH FOR 0.1
MILES TO LOCATION

LEGEND

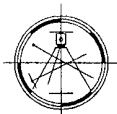
⊙ - DENOTES FOUND MONUMENT AS NOTED

SURVEYORS CERTIFICATE

I, TERRY J. ASEL, NEW MEXICO PROFESSIONAL SURVEYOR NO. 15079, DO HEREBY CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND MEETS THE "MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO" AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND SURVEYORS

Terry J. Asel 1/14/2009
Terry J. Asel NM RPS No 15079

Asel Surveying



P O BOX 393 - 310 W TAYLOR
MORRIS NEW MEXICO 875 303 0145

1000' 0 1000' 2000' FEET

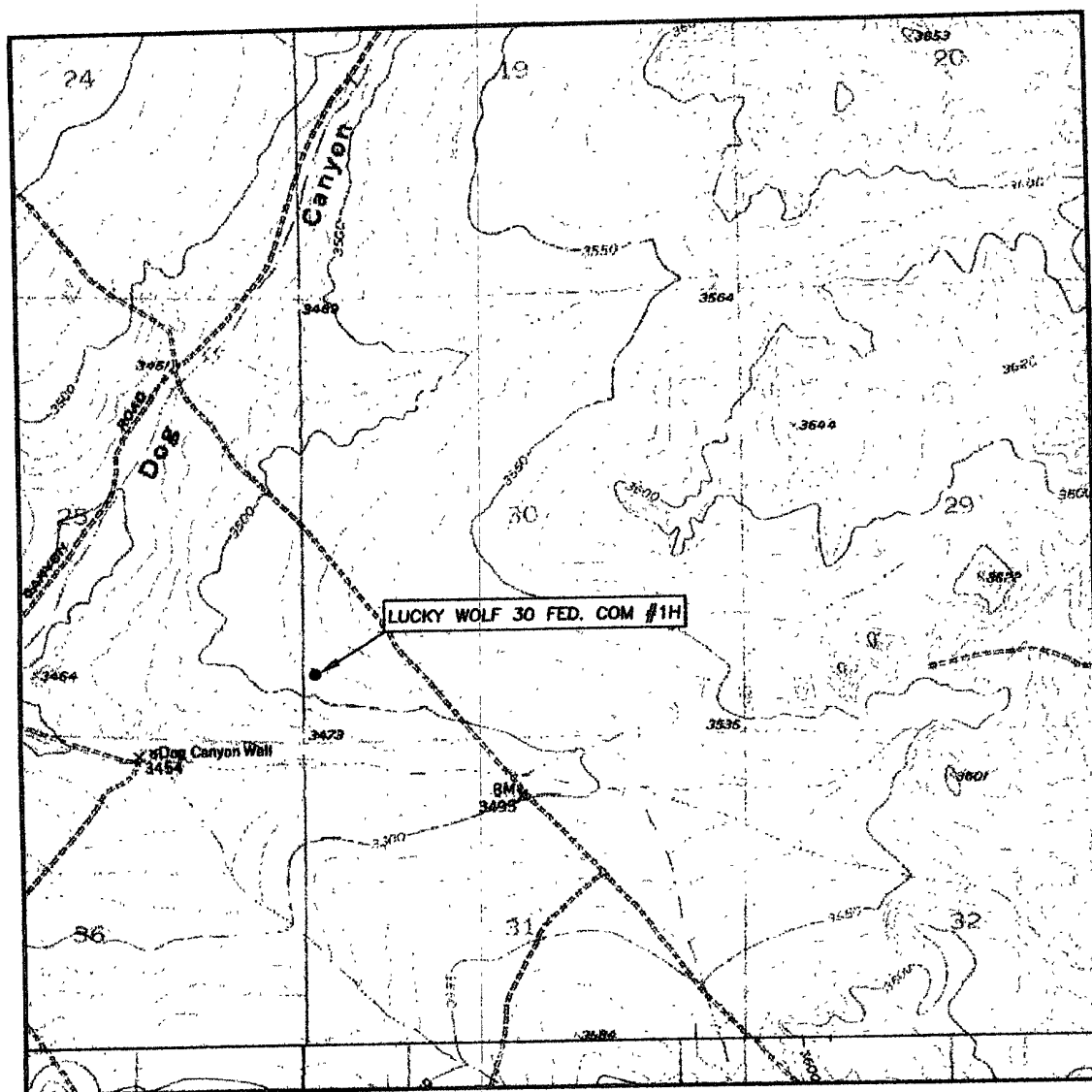
SCALE 1"=1000'

RSC RESOURCES, L.P.

LUCKY WOLF 30 FED COM #1H
LOCATED AT 860' FSL & 100' FWL
IN SECTION 30, TOWNSHIP 16 SOUTH,
RANGE 28 EAST, N M P M., EDDY COUNTY,
NEW MEXICO

Survey Date 01/06/09	Sheet 1 of 1 Sheets	
W.O. Number: 081229WL-a	Drawn By. KA	Rev.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'

SEC. 30 TWP. 16-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 860' FSL & 100' FWL

ELEVATION 3504.8'

OPERATOR RSC RESOURCES, L.P.

LEASE LUCKY WOLF 30 FED. COM #1H

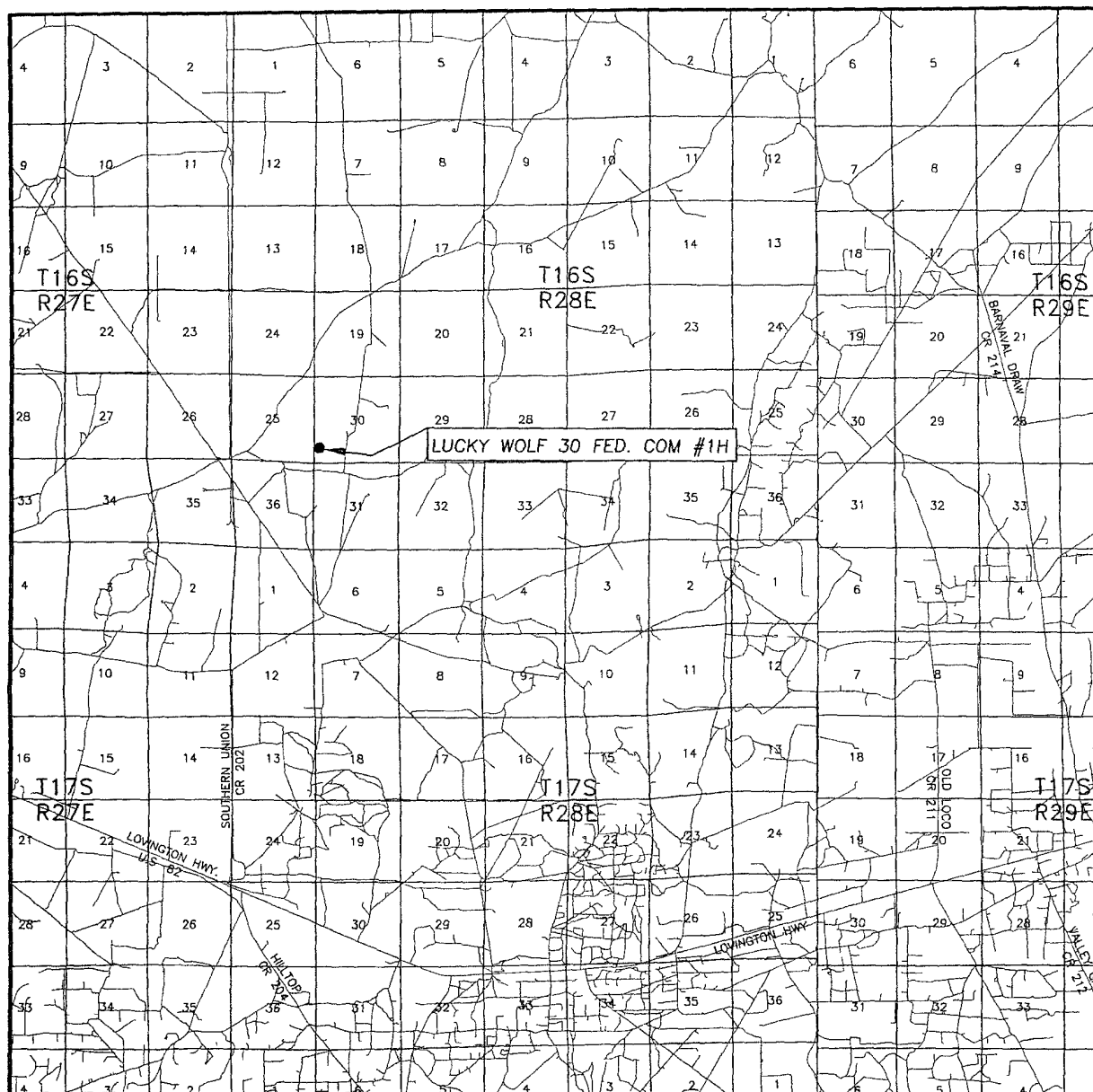
U.S.G.S. TOPOGRAPHIC MAP
DIAMOND MOUND, N.M.

Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR
HOBBS, NEW MEXICO - 575-393-9146



VICINITY MAP

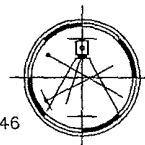


SEC. 30 TWP. 16-S RGE. 28-E
 SURVEY N.M.P.M.
 COUNTY EDDY
 DESCRIPTION 860' FSL & 100' FWL
 ELEVATION 3504.8'
 OPERATOR RSC RESOURCES, L.P.
 LEASE LUCKY WOLF 30 FED. COM #1H

SCALE: 1" = 2 MILES

Asel Surveying

P.O. BOX 393 - 310 W. TAYLOR
 HOBBS, NEW MEXICO - 575-393-9146



DIRECTIONS BEGINNING IN ARTESIA AT THE INTERSECTION OF U.S. HWY. #285 AND U.S. HWY. #82, GO EAST ON U.S. HWY. #82 FOR APPX. 9.5 MILES, TURN NORTH ON EDDY COUNTY ROAD #202 (SOUTHERN UNION ROAD) FOR 2.8 MILES, TURN NORTHEAST ON EDDY COUNTY ROAD #202 FOR 1.3 MILES, TURN NORTHWEST FOR 0.1 MILES, TURN NORTH ON LEASE ROAD FOR 2.0 MILES, TURN WEST ON CALICHE ROAD FOR 0.4 MILES, TURN SOUTH FOR 0.1 MILES TO LOCATION.

RSC Resources Limited Partnership

Drilling and Operations Program

Lucky Wolf "30" Federal Com # 1H
860' FSL & 100' FWL
Sec. 30, T16S, R28E, Eddy Co., NM

In accordance with Part 24 of Form 3160-3, Application For Permit To Drill, RSC Resources submits the following:

1. The geologic surface formation is Permian.
2. The estimated tops of geologic markers are as follows:

Quaternary	Surface	Glorietta *	3,300'
Yates *	550'	Tubb *	4,500'
Queen *	1,100'	Abo *	5,200'
San Andres *	1,800'	Wolfcamp*	6,350'

3. Estimated depths of anticipated fresh water, oil, and gas:

Fresh Water	150'
Oil/Gas	Denoted above with *

4. Proposed Casing Program: All Casing Will Be New

<u>Hole Size</u>	<u>Casing</u>	<u>Wt/Ft/Grade</u>	<u>Depth</u>	<u>Jt Type</u>
17.5"	13.375"	48# H40	0-500'	ST&C
	-or-	54.5# J55		
8.75"	7.0"	26# HCP110	0-5,800' **	LT&C
6.125"	4.5"	11.6# P110	5,600-11,200'	LT&C

Minimum casing design : Collapse 1.125, Burst 1.0, Tensile 1.8.

If wellbore integrity cannot be maintained, then the 8.75" hole will be reamed out to 12.25" and new 9.625" casing contingency string will be run as follows:

12.25"	9.625"	40# J55	0-1,800'	LT&C
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** Setting depth subject to possible commingling approval of the State of New Mexico.

5. Cementing Program

13.375" Circ to Surface w/ ~500 Sx Class "C" w/ 2% CaCl, 1.35 yld.

9.625' Circ to Surface w/ ~600 Sx Class "C" Light w/ 2% CaCl, 1.34 yld.

see COA

7.0" Cmt tie back no deeper than 1,600' w/350 Sx Class H Light, 1.98 yld
Tail w/ 350 Sx Class H with additives, 1.28 yld. In the event the 9.625"
contingency casing string is not run, then will cmt w/ 850 Sx Class "H" Light,
2.05 yld. & tail w/ 400 Sx Class "H" Neat, 1.18 yld.

4.5" Liner w/ Packers will not be cemented.

All cnt volumes subject to results of fluid calipers

6. Pressure Control Equipment:

A 3000# WP Double Ram BOP and annular BOP will be installed after setting the 13.375" casing. BOP and manifold will be tested by an independent tester to 3000# and annular to 1500# or .22 psi per foot, whichever is greater, not to exceed 70 percent of the minimum internal yield. Pressure tests to the above specifications will be conducted prior to drill out under all casing strings. BOP controls will be installed prior to drilling out and will remain the duration of drilling operations. BOP's will be inspected and rams operationally checked each 24 hour period and results recorded on the daily tour sheets. A Kelly cock and sub with full opening valve in open position will be available on the rig floor when the Kelly is not in use. Pit level indicators will be used.

7. **Mud Program – Closed Loop System to be Used. See Attached Schematic of the Piping from the Choke Manifold to the CLS.** The two 2" choke lines from the manifold will go to a valved "H" with lines to the mud gas separator/shakers and the mud tanks. . In the case of needing to circulate on chokes, the mud flow can be directed to either or both lines to optimize control of the well. The 3" "panic" line crosses underneath the "H" and directly to the burn pit.

<u>Interval</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>FL</u>	<u>Type of System</u>
0'-500'	8.5-9.0	28-32	NC	Native, fresh
500'-1,800'	9.2-10.0	28-30	NC	Brine, cut brine
1,800'-5,600'	8.5-9.1	20-30	NC	Cut brine
5,600'-TD	9.2-9.5	34-38	10-15	Brine, starch, polymer

see COA

Will use paper to minimize seepage, lime for PH control.

8. Evaluation Program:

Samples: 10' from intermediate casing to TD
Logging: Density/Neutron, Dual Laterolog. Gamma Ray to surface.
No cores or DSTs anticipated.

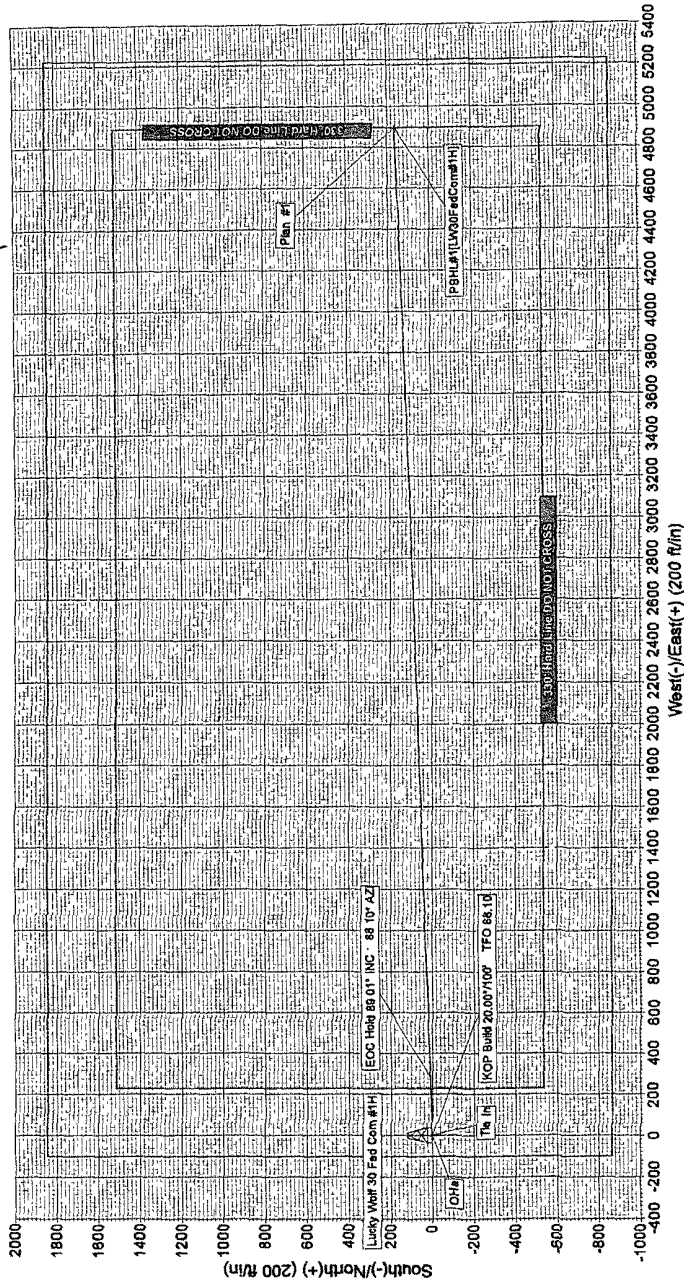
9. Downhole Conditions:

No abnormal conditions, pressures, temperatures, or H₂S are expected. An H₂S contingency plan is included in this Application as a precaution. The expected bottom hole temperature and pressure are 115 F and 2400 psi, respectively.

RCS Resources, L.P.



Project: Eddy County, NM
Site: Lucky Wolf 30 Fed Com #1H
Well: Lucky Wolf 30 Fed Com #1H
Wellbore: Lateral #1
Plan: Plan #1 (Lucky Wolf 30 Fed Com #1H/Lateral #1)

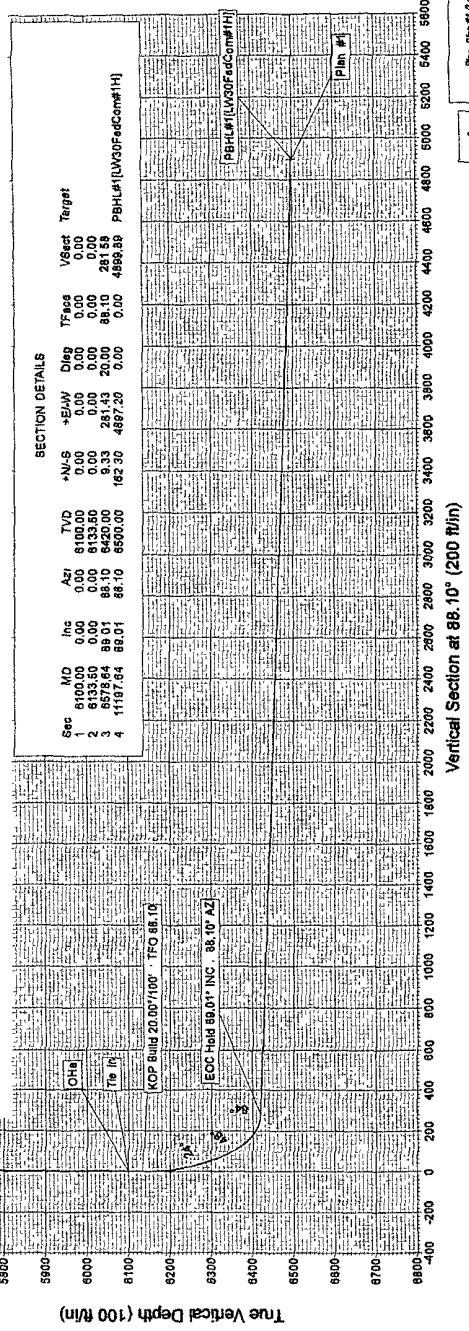


T M Azimuth to True North
Magnetic North: 5.20°
Magnetic Field
Strength: 49192.2nT
Dip Angle: 60.76°
Date: 01/02/2009
Model: IGRF200510

ANNOTATIONS

TVD MD
8117.50 6113.50
8133.50 6133.50
6420.00 6578.64
EOC Hold 89.01' INC. 88.10' AZI
TFO 88.10
KOP Build 20.00'/100' TFO 88.10

PROJECT DETAILS: Eddy County, NM
Geodetic System: US State Plane (1983) (Exact solution)
Datum: NAD 83
Zone: New Mexico East 3001
System Datum: Mean Sea Level



SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+NLS	+BIW	Diep	TFace	VSeet	Target
1	8117.50	0.00	0.00	8100.00	0.00	0.00	0.00	0.00	0.00	0.00
2	8133.50	0.00	0.00	8133.50	0.00	0.00	0.00	0.00	0.00	0.00
3	6578.64	88.01	88.10	6420.00	9.33	281.43	20.00	88.10	281.59	281.59
4	11187.64	88.01	88.10	6500.00	162.30	4887.20	0.00	0.00	4888.89	4888.89

RSC Resources, L.P.

Eddy County, NM

Lucky Wolf 30 Fed Com #1H

Lucky Wolf 30 Fed Com #1H

Lateral #1

Plan: Plan #1

Standard Planning Report

10 March, 2009

Planning Report

Database:	EDM 5000 1 Black Viper	Local Co-ordinate Reference:	Well Lucky Wolf 30 Fed Com #1H
Company:	RSC Resources, L.P.	TVD Reference:	WELL @ 3504.80ft (Original Well Elev)
Project:	Eddy County, NM	MD Reference:	WELL @ 3504.80ft (Original Well Elev)
Site:	Lucky Wolf 30 Fed Com #1H	North Reference:	True
Well:	Lucky Wolf 30 Fed Com #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Plan #1		

Project	Eddy County, NM		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Lucky Wolf 30 Fed Com #1H			
Site Position:		Northing:	686,638.81 ft	Latitude: 32° 53' 15.354 N
From:	Lat/Long	Easting:	533,848.28 ft	Longitude: 104° 13' 23.058 W
Position Uncertainty:	0.00 ft	Slot Radius:	0 "	Grid Convergence: 0.06 °

Well	Lucky Wolf 30 Fed Com #1H			
Well Position	+N/-S	0.00 ft	Northing: 686,638.81 ft	Latitude: 32° 53' 15.354 N
	+E/-W	0.00 ft	Easting: 533,848.28 ft	Longitude: 104° 13' 23.058 W
Position Uncertainty	0.00 ft	Wellhead Elevation:		Ground Level: 3,504.80 ft

Wellbore	Lateral #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (mT)
	IGRF200510	3/10/2009	8.20	60.76	49,196

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	6,100.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	88.10

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Buid Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,133.50	0.00	0.00	6,133.50	0.00	0.00	0.00	0.00	0.00	0.00	
6,578.64	89.01	88.10	6,420.00	9.33	281.43	20.00	20.00	0.00	88.10	
11,197.64	89.01	88.10	6,500.00	162.30	4,897.20	0.00	0.00	0.00	0.00	PBHL#1[LW30FedCo

Planning Report

Database:	EDM 5000.1 Black Viper	Local Co-ordinate Reference:	Well Lucky Wolf 30 Fed Com #1H
Company:	RSC Resources, L.P.	TYD Reference:	WELL @ 3504.80ft (Original Well Elev)
Project:	Eddy County, NM	MD Reference:	WELL @ 3504.80ft (Original Well Elev)
Site:	Lucky Wolf 30 Fed Com #1H	North Reference:	True
Well:	Lucky Wolf 30 Fed Com #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Plan #1		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
Tie In										
6,120.00	0.00	0.00	6,120.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,133.50	0.00	0.00	6,133.50	0.00	0.00	0.00	0.00	0.00	0.00	
KOP Build 20.00°/100' :: TFO 88.10										
6,150.00	3.30	88.10	6,149.99	0.02	0.47	0.47	20.00	20.00	0.00	
6,180.00	9.30	88.10	6,179.80	0.12	3.76	3.76	20.00	20.00	0.00	
6,210.00	15.30	88.10	6,209.09	0.34	10.15	10.15	20.00	20.00	0.00	
6,240.00	21.30	88.10	6,237.57	0.65	19.55	19.56	20.00	20.00	0.00	
6,270.00	27.29	88.10	6,264.90	1.06	31.88	31.90	20.00	20.00	0.00	
6,300.00	33.29	88.10	6,290.79	1.56	47.00	47.03	20.00	20.00	0.00	
6,330.00	39.29	88.10	6,314.96	2.15	64.74	64.78	20.00	20.00	0.00	
6,360.00	45.29	88.10	6,337.14	2.81	84.91	84.95	20.00	20.00	0.00	
6,390.00	51.29	88.10	6,357.09	3.56	107.28	107.34	20.00	20.00	0.00	
6,420.00	57.29	88.10	6,374.59	4.36	131.61	131.69	20.00	20.00	0.00	
6,450.00	63.29	88.10	6,389.46	5.22	157.64	157.73	20.00	20.00	0.00	
6,480.00	69.28	88.10	6,401.52	6.13	185.08	185.18	20.00	20.00	0.00	
6,510.00	75.28	88.10	6,410.64	7.08	213.63	213.75	20.00	20.00	0.00	
6,540.00	81.28	88.10	6,416.73	8.05	242.98	243.11	20.00	20.00	0.00	
6,570.00	87.28	88.10	6,419.72	9.04	272.80	272.95	20.00	20.00	0.00	
6,578.64	89.01	88.10	6,420.00	9.33	281.43	281.58	20.00	20.00	0.00	
EOC Hold 89.01° INC :: 88.10° AZI										
6,600.00	89.01	88.10	6,420.37	10.03	302.77	302.94	0.00	0.00	0.00	
6,630.00	89.01	88.10	6,420.89	11.03	332.75	332.93	0.00	0.00	0.00	
6,660.00	89.01	88.10	6,421.41	12.02	362.73	362.93	0.00	0.00	0.00	
6,690.00	89.01	88.10	6,421.93	13.02	392.71	392.93	0.00	0.00	0.00	
6,720.00	89.01	88.10	6,422.45	14.01	422.69	422.92	0.00	0.00	0.00	
6,750.00	89.01	88.10	6,422.97	15.00	452.67	452.92	0.00	0.00	0.00	
6,780.00	89.01	88.10	6,423.49	16.00	482.65	482.91	0.00	0.00	0.00	
6,810.00	89.01	88.10	6,424.01	16.99	512.63	512.91	0.00	0.00	0.00	
6,840.00	89.01	88.10	6,424.53	17.98	542.61	542.90	0.00	0.00	0.00	
6,870.00	89.01	88.10	6,425.05	18.98	572.58	572.90	0.00	0.00	0.00	
6,900.00	89.01	88.10	6,425.57	19.97	602.56	602.89	0.00	0.00	0.00	
6,930.00	89.01	88.10	6,426.09	20.96	632.54	632.89	0.00	0.00	0.00	
6,960.00	89.01	88.10	6,426.61	21.96	662.52	662.89	0.00	0.00	0.00	
6,990.00	89.01	88.10	6,427.12	22.95	692.50	692.88	0.00	0.00	0.00	
7,020.00	89.01	88.10	6,427.64	23.94	722.48	722.88	0.00	0.00	0.00	
7,050.00	89.01	88.10	6,428.16	24.94	752.46	752.87	0.00	0.00	0.00	
7,080.00	89.01	88.10	6,428.68	25.93	782.44	782.87	0.00	0.00	0.00	
7,110.00	89.01	88.10	6,429.20	26.92	812.42	812.86	0.00	0.00	0.00	
7,140.00	89.01	88.10	6,429.72	27.92	842.40	842.86	0.00	0.00	0.00	
7,170.00	89.01	88.10	6,430.24	28.91	872.37	872.85	0.00	0.00	0.00	
7,200.00	89.01	88.10	6,430.76	29.91	902.35	902.85	0.00	0.00	0.00	
7,230.00	89.01	88.10	6,431.28	30.90	932.33	932.84	0.00	0.00	0.00	
7,260.00	89.01	88.10	6,431.80	31.89	962.31	962.84	0.00	0.00	0.00	
7,290.00	89.01	88.10	6,432.32	32.89	992.29	992.84	0.00	0.00	0.00	
7,320.00	89.01	88.10	6,432.84	33.88	1,022.27	1,022.83	0.00	0.00	0.00	
7,350.00	89.01	88.10	6,433.36	34.87	1,052.25	1,052.83	0.00	0.00	0.00	
7,380.00	89.01	88.10	6,433.88	35.87	1,082.23	1,082.82	0.00	0.00	0.00	
7,410.00	89.01	88.10	6,434.40	36.86	1,112.21	1,112.82	0.00	0.00	0.00	
7,440.00	89.01	88.10	6,434.92	37.85	1,142.19	1,142.81	0.00	0.00	0.00	
7,470.00	89.01	88.10	6,435.44	38.85	1,172.17	1,172.81	0.00	0.00	0.00	
7,500.00	89.01	88.10	6,435.96	39.84	1,202.14	1,202.80	0.00	0.00	0.00	

Planning Report

Database:	EDM 5000.1 Black Viper	Local Co-ordinate Reference:	Well Lucky Wolf 30 Fed Com #1H
Company:	RSC Resources, L.P.	TVD Reference:	WELL @ 3504.80ft (Original Well Elev)
Project:	Eddy County - NM	MD Reference:	WELL @ 3504.80ft (Original Well Elev)
Site:	Lucky Wolf 30 Fed Com #1H	North Reference:	True
Well:	Lucky Wolf 30 Fed Com #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,530.00	89.01	88.10	6,436.48	40.83	1,232.12	1,232.80	0.00	0.00	0.00
7,560.00	89.01	88.10	6,437.00	41.83	1,262.10	1,262.80	0.00	0.00	0.00
7,590.00	89.01	88.10	6,437.52	42.82	1,292.08	1,292.79	0.00	0.00	0.00
7,620.00	89.01	88.10	6,438.04	43.82	1,322.06	1,322.79	0.00	0.00	0.00
7,650.00	89.01	88.10	6,438.56	44.81	1,352.04	1,352.78	0.00	0.00	0.00
7,680.00	89.01	88.10	6,439.08	45.80	1,382.02	1,382.78	0.00	0.00	0.00
7,710.00	89.01	88.10	6,439.59	46.80	1,412.00	1,412.77	0.00	0.00	0.00
7,740.00	89.01	88.10	6,440.11	47.79	1,441.98	1,442.77	0.00	0.00	0.00
7,770.00	89.01	88.10	6,440.63	48.78	1,471.96	1,472.76	0.00	0.00	0.00
7,800.00	89.01	88.10	6,441.15	49.78	1,501.93	1,502.76	0.00	0.00	0.00
7,830.00	89.01	88.10	6,441.67	50.77	1,531.91	1,532.75	0.00	0.00	0.00
7,860.00	89.01	88.10	6,442.19	51.76	1,561.89	1,562.75	0.00	0.00	0.00
7,890.00	89.01	88.10	6,442.71	52.76	1,591.87	1,592.75	0.00	0.00	0.00
7,920.00	89.01	88.10	6,443.23	53.75	1,621.85	1,622.74	0.00	0.00	0.00
7,950.00	89.01	88.10	6,443.75	54.74	1,651.83	1,652.74	0.00	0.00	0.00
7,980.00	89.01	88.10	6,444.27	55.74	1,681.81	1,682.73	0.00	0.00	0.00
8,010.00	89.01	88.10	6,444.79	56.73	1,711.79	1,712.73	0.00	0.00	0.00
8,040.00	89.01	88.10	6,445.31	57.73	1,741.77	1,742.72	0.00	0.00	0.00
8,070.00	89.01	88.10	6,445.83	58.72	1,771.75	1,772.72	0.00	0.00	0.00
8,100.00	89.01	88.10	6,446.35	59.71	1,801.73	1,802.71	0.00	0.00	0.00
8,130.00	89.01	88.10	6,446.87	60.71	1,831.70	1,832.71	0.00	0.00	0.00
8,160.00	89.01	88.10	6,447.39	61.70	1,861.68	1,862.71	0.00	0.00	0.00
8,190.00	89.01	88.10	6,447.91	62.69	1,891.66	1,892.70	0.00	0.00	0.00
8,220.00	89.01	88.10	6,448.43	63.69	1,921.64	1,922.70	0.00	0.00	0.00
8,250.00	89.01	88.10	6,448.95	64.68	1,951.62	1,952.69	0.00	0.00	0.00
8,280.00	89.01	88.10	6,449.47	65.67	1,981.60	1,982.69	0.00	0.00	0.00
8,310.00	89.01	88.10	6,449.99	66.67	2,011.58	2,012.68	0.00	0.00	0.00
8,340.00	89.01	88.10	6,450.51	67.66	2,041.56	2,042.68	0.00	0.00	0.00
8,370.00	89.01	88.10	6,451.03	68.65	2,071.54	2,072.67	0.00	0.00	0.00
8,400.00	89.01	88.10	6,451.55	69.65	2,101.52	2,102.67	0.00	0.00	0.00
8,430.00	89.01	88.10	6,452.07	70.64	2,131.49	2,132.66	0.00	0.00	0.00
8,460.00	89.01	88.10	6,452.58	71.63	2,161.47	2,162.66	0.00	0.00	0.00
8,490.00	89.01	88.10	6,453.10	72.63	2,191.45	2,192.66	0.00	0.00	0.00
8,520.00	89.01	88.10	6,453.62	73.62	2,221.43	2,222.65	0.00	0.00	0.00
8,550.00	89.01	88.10	6,454.14	74.62	2,251.41	2,252.65	0.00	0.00	0.00
8,580.00	89.01	88.10	6,454.66	75.61	2,281.39	2,282.64	0.00	0.00	0.00
8,610.00	89.01	88.10	6,455.18	76.60	2,311.37	2,312.64	0.00	0.00	0.00
8,640.00	89.01	88.10	6,455.70	77.60	2,341.35	2,342.63	0.00	0.00	0.00
8,670.00	89.01	88.10	6,456.22	78.59	2,371.33	2,372.63	0.00	0.00	0.00
8,700.00	89.01	88.10	6,456.74	79.58	2,401.31	2,402.62	0.00	0.00	0.00
8,730.00	89.01	88.10	6,457.26	80.58	2,431.29	2,432.62	0.00	0.00	0.00
8,760.00	89.01	88.10	6,457.78	81.57	2,461.26	2,462.62	0.00	0.00	0.00
8,790.00	89.01	88.10	6,458.30	82.56	2,491.24	2,492.61	0.00	0.00	0.00
8,820.00	89.01	88.10	6,458.82	83.56	2,521.22	2,522.61	0.00	0.00	0.00
8,850.00	89.01	88.10	6,459.34	84.55	2,551.20	2,552.60	0.00	0.00	0.00
8,880.00	89.01	88.10	6,459.86	85.54	2,581.18	2,582.60	0.00	0.00	0.00
8,910.00	89.01	88.10	6,460.38	86.54	2,611.16	2,612.59	0.00	0.00	0.00
8,940.00	89.01	88.10	6,460.90	87.53	2,641.14	2,642.59	0.00	0.00	0.00
8,970.00	89.01	88.10	6,461.42	88.53	2,671.12	2,672.58	0.00	0.00	0.00
9,000.00	89.01	88.10	6,461.94	89.52	2,701.10	2,702.58	0.00	0.00	0.00
9,030.00	89.01	88.10	6,462.46	90.51	2,731.08	2,732.57	0.00	0.00	0.00
9,060.00	89.01	88.10	6,462.98	91.51	2,761.05	2,762.57	0.00	0.00	0.00
9,090.00	89.01	88.10	6,463.50	92.50	2,791.03	2,792.57	0.00	0.00	0.00
9,120.00	89.01	88.10	6,464.02	93.49	2,821.01	2,822.56	0.00	0.00	0.00

Planning Report

Database:	EDM 5000.1 Black Viper	Local Co-ordinate Reference:	Well Lucky Wolf 30 Fed Com #1H
Company:	RSC Resources, L.P.	TVD Reference:	WELL @ 3504.80ft (Original Well Elev)
Project:	Eddy County, NM	MD Reference:	WELL @ 3504.80ft (Original Well Elev)
Site:	Lucky Wolf 30 Fed Com #1H	North Reference:	True
Well:	Lucky Wolf 30 Fed Com #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
9,150.00	89.01	88.10	6,464.54	94.49	2,850.99	2,852.56	0.00	0.00	0.00
9,180.00	89.01	88.10	6,465.06	95.48	2,880.97	2,882.55	0.00	0.00	0.00
9,210.00	89.01	88.10	6,465.57	96.47	2,910.95	2,912.55	0.00	0.00	0.00
9,240.00	89.01	88.10	6,466.09	97.47	2,940.93	2,942.54	0.00	0.00	0.00
9,270.00	89.01	88.10	6,466.61	98.46	2,970.91	2,972.54	0.00	0.00	0.00
9,300.00	89.01	88.10	6,467.13	99.45	3,000.89	3,002.53	0.00	0.00	0.00
9,330.00	89.01	88.10	6,467.65	100.45	3,030.87	3,032.53	0.00	0.00	0.00
9,360.00	89.01	88.10	6,468.17	101.44	3,060.84	3,062.53	0.00	0.00	0.00
9,390.00	89.01	88.10	6,468.69	102.44	3,090.82	3,092.52	0.00	0.00	0.00
9,420.00	89.01	88.10	6,469.21	103.43	3,120.80	3,122.52	0.00	0.00	0.00
9,450.00	89.01	88.10	6,469.73	104.42	3,150.78	3,152.51	0.00	0.00	0.00
9,480.00	89.01	88.10	6,470.25	105.42	3,180.76	3,182.51	0.00	0.00	0.00
9,510.00	89.01	88.10	6,470.77	106.41	3,210.74	3,212.50	0.00	0.00	0.00
9,540.00	89.01	88.10	6,471.29	107.40	3,240.72	3,242.50	0.00	0.00	0.00
9,570.00	89.01	88.10	6,471.81	108.40	3,270.70	3,272.49	0.00	0.00	0.00
9,600.00	89.01	88.10	6,472.33	109.39	3,300.68	3,302.49	0.00	0.00	0.00
9,630.00	89.01	88.10	6,472.85	110.38	3,330.66	3,332.48	0.00	0.00	0.00
9,660.00	89.01	88.10	6,473.37	111.38	3,360.64	3,362.48	0.00	0.00	0.00
9,690.00	89.01	88.10	6,473.89	112.37	3,390.61	3,392.48	0.00	0.00	0.00
9,720.00	89.01	88.10	6,474.41	113.36	3,420.59	3,422.47	0.00	0.00	0.00
9,750.00	89.01	88.10	6,474.93	114.36	3,450.57	3,452.47	0.00	0.00	0.00
9,780.00	89.01	88.10	6,475.45	115.35	3,480.55	3,482.46	0.00	0.00	0.00
9,810.00	89.01	88.10	6,475.97	116.34	3,510.53	3,512.46	0.00	0.00	0.00
9,840.00	89.01	88.10	6,476.49	117.34	3,540.51	3,542.45	0.00	0.00	0.00
9,870.00	89.01	88.10	6,477.01	118.33	3,570.49	3,572.45	0.00	0.00	0.00
9,900.00	89.01	88.10	6,477.53	119.33	3,600.47	3,602.44	0.00	0.00	0.00
9,930.00	89.01	88.10	6,478.04	120.32	3,630.45	3,632.44	0.00	0.00	0.00
9,960.00	89.01	88.10	6,478.56	121.31	3,660.43	3,662.44	0.00	0.00	0.00
9,990.00	89.01	88.10	6,479.08	122.31	3,690.40	3,692.43	0.00	0.00	0.00
10,020.00	89.01	88.10	6,479.60	123.30	3,720.38	3,722.43	0.00	0.00	0.00
10,050.00	89.01	88.10	6,480.12	124.29	3,750.36	3,752.42	0.00	0.00	0.00
10,080.00	89.01	88.10	6,480.64	125.29	3,780.34	3,782.42	0.00	0.00	0.00
10,110.00	89.01	88.10	6,481.16	126.28	3,810.32	3,812.41	0.00	0.00	0.00
10,140.00	89.01	88.10	6,481.68	127.27	3,840.30	3,842.41	0.00	0.00	0.00
10,170.00	89.01	88.10	6,482.20	128.27	3,870.28	3,872.40	0.00	0.00	0.00
10,200.00	89.01	88.10	6,482.72	129.26	3,900.26	3,902.40	0.00	0.00	0.00
10,230.00	89.01	88.10	6,483.24	130.25	3,930.24	3,932.39	0.00	0.00	0.00
10,260.00	89.01	88.10	6,483.76	131.25	3,960.22	3,962.39	0.00	0.00	0.00
10,290.00	89.01	88.10	6,484.28	132.24	3,990.20	3,992.39	0.00	0.00	0.00
10,320.00	89.01	88.10	6,484.80	133.24	4,020.17	4,022.38	0.00	0.00	0.00
10,350.00	89.01	88.10	6,485.32	134.23	4,050.15	4,052.38	0.00	0.00	0.00
10,380.00	89.01	88.10	6,485.84	135.22	4,080.13	4,082.37	0.00	0.00	0.00
10,410.00	89.01	88.10	6,486.36	136.22	4,110.11	4,112.37	0.00	0.00	0.00
10,440.00	89.01	88.10	6,486.88	137.21	4,140.09	4,142.36	0.00	0.00	0.00
10,470.00	89.01	88.10	6,487.40	138.20	4,170.07	4,172.36	0.00	0.00	0.00
10,500.00	89.01	88.10	6,487.92	139.20	4,200.05	4,202.35	0.00	0.00	0.00
10,530.00	89.01	88.10	6,488.44	140.19	4,230.03	4,232.35	0.00	0.00	0.00
10,560.00	89.01	88.10	6,488.96	141.18	4,260.01	4,262.35	0.00	0.00	0.00
10,590.00	89.01	88.10	6,489.48	142.18	4,289.99	4,292.34	0.00	0.00	0.00
10,620.00	89.01	88.10	6,490.00	143.17	4,319.96	4,322.34	0.00	0.00	0.00
10,650.00	89.01	88.10	6,490.52	144.16	4,349.94	4,352.33	0.00	0.00	0.00
10,680.00	89.01	88.10	6,491.03	145.16	4,379.92	4,382.33	0.00	0.00	0.00
10,710.00	89.01	88.10	6,491.55	146.15	4,409.90	4,412.32	0.00	0.00	0.00
10,740.00	89.01	88.10	6,492.07	147.15	4,439.88	4,442.32	0.00	0.00	0.00

Planning Report

Database:	EDM 5000.1 Black Viper	Local Co-ordinate Reference:	Well Lucky Wolf 30 Fed Com #1H
Company:	RSC Resources, L.P.	TVD Reference:	WELL @ 3504.80ft (Original Well Elev)
Project:	Eddy County, NM	MD Reference:	WELL @ 3504.80ft (Original Well Elev)
Site:	Lucky Wolf 30 Fed Com #1H	North Reference:	True
Well:	Lucky Wolf 30 Fed Com #1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,770.00	89.01	88.10	6,492.59	148.14	4,469.86	4,472.31	0.00	0.00	0.00
10,800.00	89.01	88.10	6,493.11	149.13	4,499.84	4,502.31	0.00	0.00	0.00
10,830.00	89.01	88.10	6,493.63	150.13	4,529.82	4,532.30	0.00	0.00	0.00
10,860.00	89.01	88.10	6,494.15	151.12	4,559.80	4,562.30	0.00	0.00	0.00
10,890.00	89.01	88.10	6,494.67	152.11	4,589.78	4,592.30	0.00	0.00	0.00
10,920.00	89.01	88.10	6,495.19	153.11	4,619.76	4,622.29	0.00	0.00	0.00
10,950.00	89.01	88.10	6,495.71	154.10	4,649.73	4,652.29	0.00	0.00	0.00
10,980.00	89.01	88.10	6,496.23	155.09	4,679.71	4,682.28	0.00	0.00	0.00
11,010.00	89.01	88.10	6,496.75	156.09	4,709.69	4,712.28	0.00	0.00	0.00
11,040.00	89.01	88.10	6,497.27	157.08	4,739.67	4,742.27	0.00	0.00	0.00
11,070.00	89.01	88.10	6,497.79	158.07	4,769.65	4,772.27	0.00	0.00	0.00
11,100.00	89.01	88.10	6,498.31	159.07	4,799.63	4,802.26	0.00	0.00	0.00
11,130.00	89.01	88.10	6,498.83	160.06	4,829.61	4,832.26	0.00	0.00	0.00
11,160.00	89.01	88.10	6,499.35	161.05	4,859.59	4,862.26	0.00	0.00	0.00
11,190.00	89.01	88.10	6,499.87	162.05	4,889.57	4,892.25	0.00	0.00	0.00
11,197.64	89.01	88.10	6,500.00	162.30	4,897.20	4,899.89	0.00	0.00	0.00

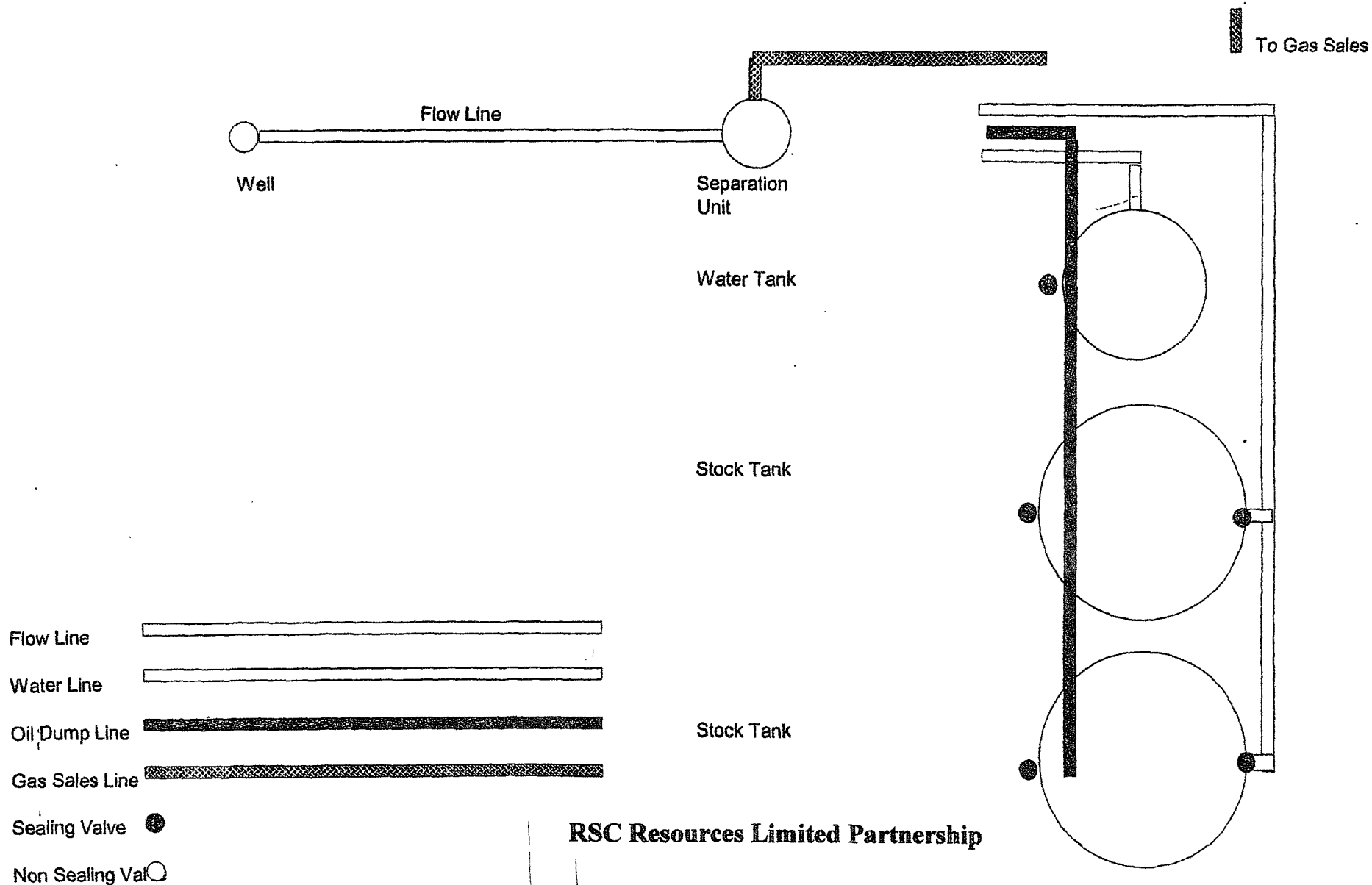
Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N-S (ft)	+E-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
HL[LW30FedCom#1H] - hits target - Shape	0.00	0.00	0.00	0.00	0.00	686,638.81	533,848.28	32° 53' 15.354 N	104° 13' 23.058 W
- plan misses target center by 6100.00ft at 6100.00ft MD (6100.00 TVD, 0.00 N, 0.00 E) - Rectangle (sides W4,668.50 H2,049.60 D0.00)									
LL[LW30FedCom#1H] - plan misses target center by 6100.00ft at 6100.00ft MD (6100.00 TVD, 0.00 N, 0.00 E) - Rectangle (sides W5,328.50 H2,709.60 D0.00)	0.00	0.00	0.00	0.00	0.00	686,638.81	533,848.28	32° 53' 15.354 N	104° 13' 23.058 W
PBHL#1[LW30FedCom#1H] - plan hits target center - Point	0.00	0.00	6,500.00	162.30	4,897.20	686,806.23	538,745.30	32° 53' 16.956 N	104° 12' 25.626 W

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates	Comment
6,100.00	6,100.00	0.00	0.00
6,133.50	6,133.50	0.00	0.00
6,578.64	6,420.00	9.33	281.43
Tie in KOP Build 20.00°/100' :: TFO 88.10 EOC Hold 89.01° INC :: 88.10° AZI			

Proposed Production Facilities Schematic



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Lucky Wolf "30" Federal Com # 1H
 860' FSL & 100' FWL, Unit M
 Sec. 30, T16S, R28E, Eddy Co., NM

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Lucky Wolf "30" Federal Com # 1H
860' FSL & 100' FWL, Unit M
Sec. 30, T16S, R28E, Eddy Co., NM

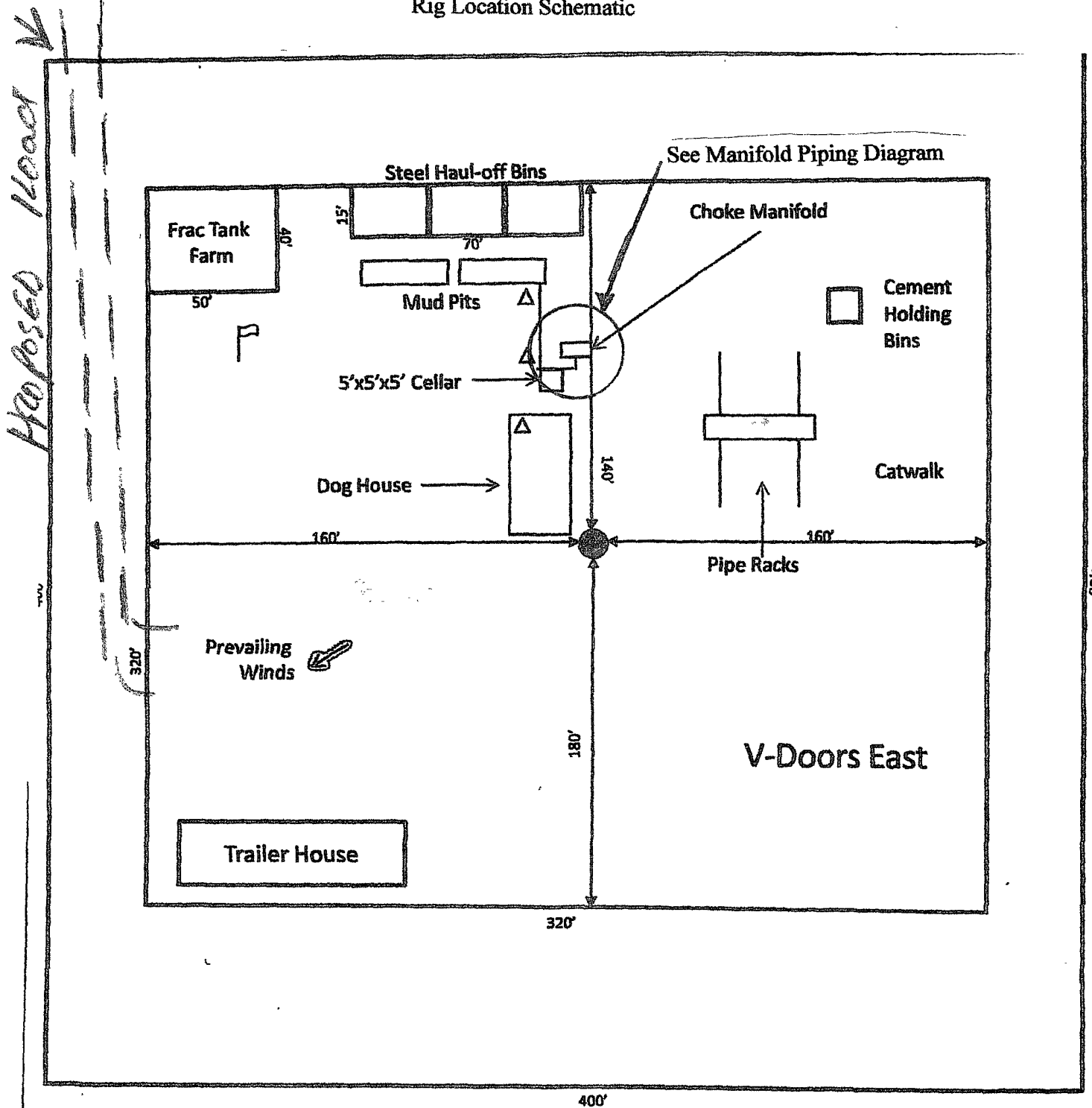
Status of Wells in Section 30

Operator: Three Span Oil and Gas
Well Name: Crow Flat Fed Com Unit 1
Unit Letter: K
Status: Pumping
Pool: Dog Canyon; Wolfcamp

Operator: Three Span Oil and Gas
Well Name: Crow Flat "A" Fed Com 1
Unit Letter: H
Status: Pumping
Pool: Dog Canyon; Wolfcamp

Operator: COG Operating, LLC
Well Name: Donner Federal 2
Unit Letter: G
Status: Pumping
Pool: Dog Canyon; Wolfcamp

Rig Location Schematic

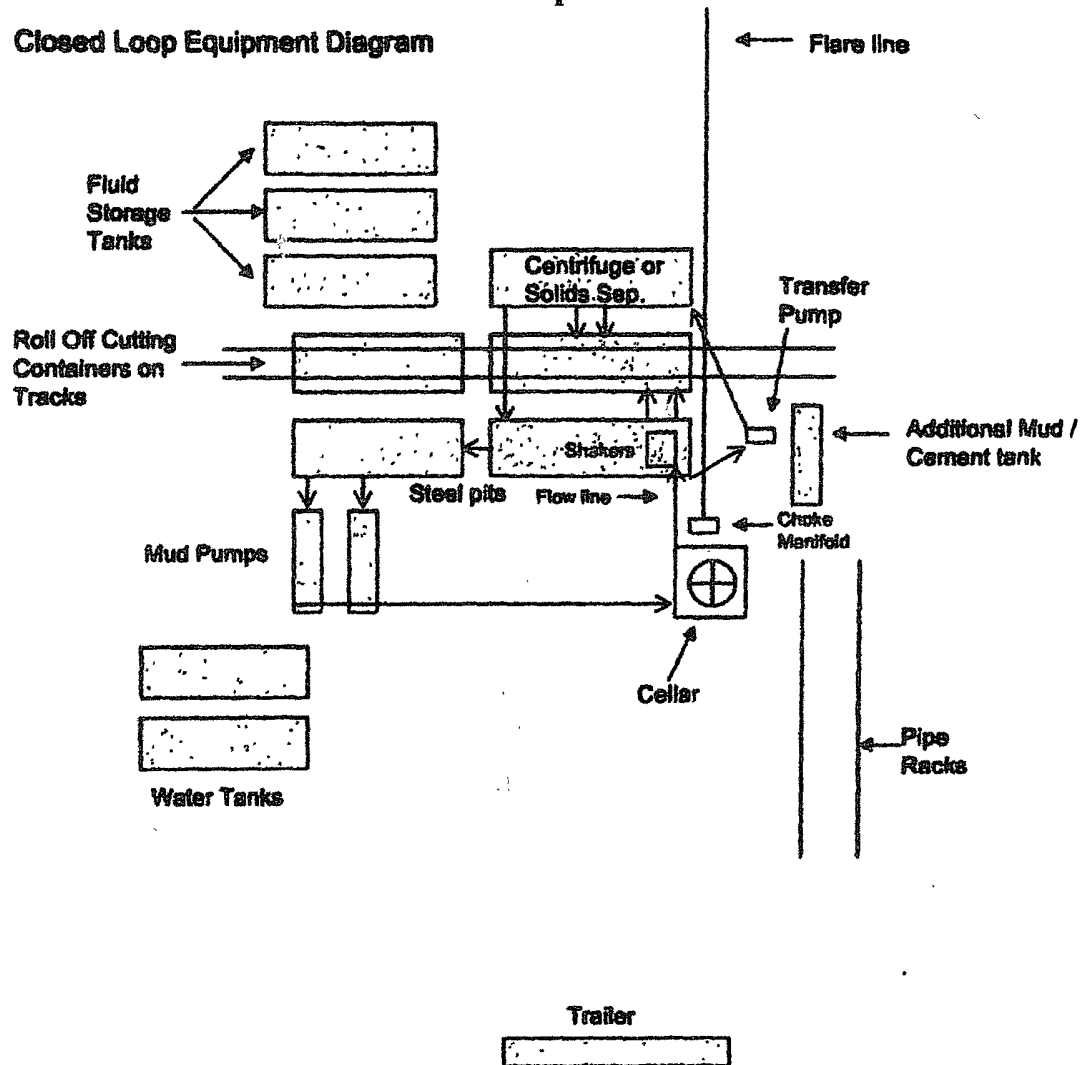


Lucky Wolf "30" Federal Com # 1H
 860' FSL & 100' FWL, Unit M
 Sec. 30, T16S, R28E, Eddy Co., NM

Lucky Wolf "30" Federal Com # 1H
860' FSL & 100' FWL, Unit M
Sec. 30, T16S, R28E, Eddy Co., NM

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Closed Loop Equipment Diagram

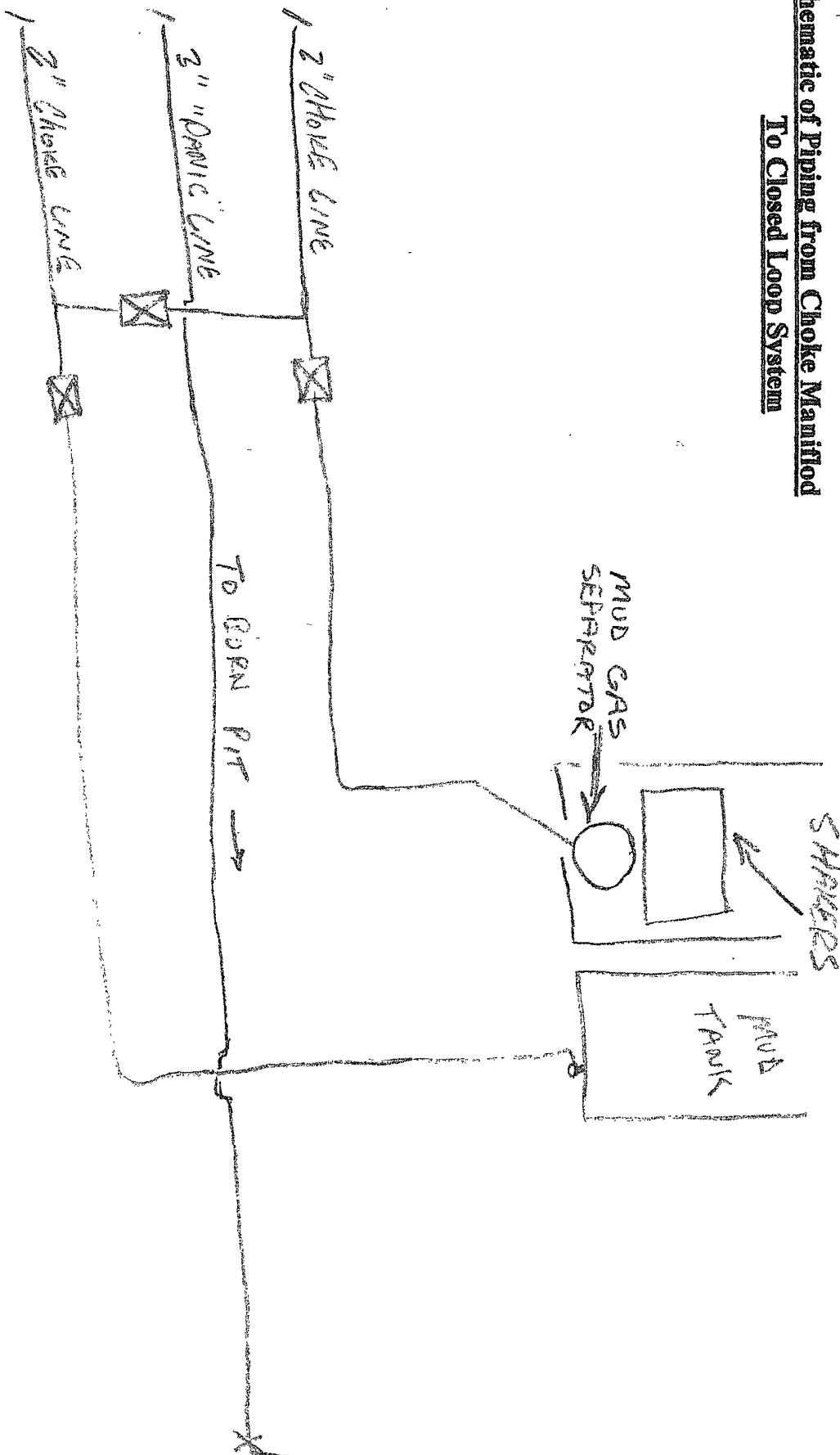


RSC Resources Limited Partnership

Lucky Wolf "30" Federal Com # 1H
860' FSL & 100' FWL, Unit M
Sec. 30, T16S, R28E, Eddy Co., NM

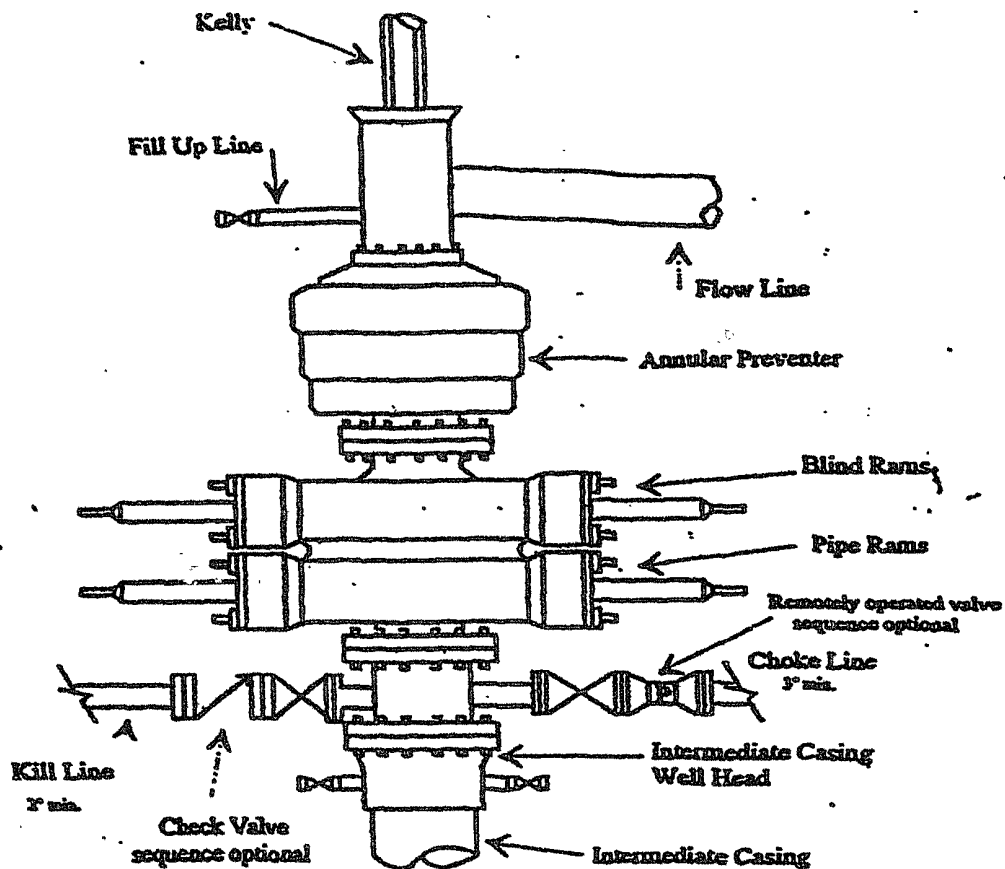
Schematic of Piping from Choke Manifold To Closed Loop System

FROM MANIFOLD

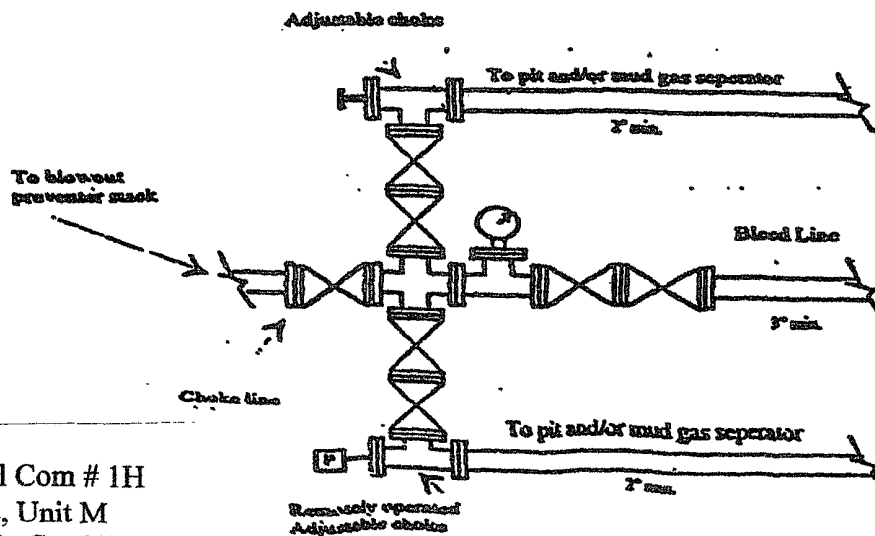




Typical 3,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack



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



Notes Regarding Blowout Preventer

Lucky Wolf "30" Federal Com # 1H
860' FSL & 100' FWL, Unit M
Sec. 30, T16S, R28E, Eddy Co., NM

- I. Drilling nipple (bell nipple) to be constructed so that it can be removed without the use of a welder through the opening of the rotary table, with minimum internal diameter equal to blowout preventer bore.
- II. Blowout preventer and all fittings must be in good condition with a minimum ~~5~~³000 PSI working pressure.
- III. Safety valve must be available on the rig floor at all times with proper connections to install in the drill string. Valve must be full bore with minimum ~~5~~³000 PSI working pressure.
- IV. Equipment through which bit must pass shall be at least as large as internal diameter of the casing.
- V. A kelly cock shall be installed on the kelly at all times.

Blowout preventer closing equipment to include and accumulator of at least 40 gallon capacity, two independent sources of pressure on closing unit, and meet all other API specifications.

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HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

I. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- A. The hazards and characteristics of hydrogen sulfide (H₂S).
- B. The proper use and maintenance of personal protective equipment and life support systems.
- C. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- D. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- A. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- B. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- C. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H₂S SAFETY EQUIPMENT AND SYSTEMS

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

A. Well Control Equipment:

Flare line.

Choke manifold.

Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

B. Protective equipment for essential personnel:

Mark II Surviveair 30-minute units located in the dog house and at briefing areas.

C. H₂S detection and monitoring equipment:

2 - portable H₂S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 20 ppm are reached.

D. Visual warning systems:

Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.

E. Mud Program:

The mud program has been designed to minimize the volume of H₂S circulated to the surface.

F. Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.

G. Communication:

Company vehicles equipped with cellular telephone and 2-way radio.

WARNING

YOU ARE ENTERING AN H₂S AREA
AUTHORIZED PERSONNEL ONLY

1. BEARDS OR CONTACT LENSES NOT ALLOWED
2. HARD HATS REQUIRED

3. SMOKING IN DESIGNATED AREAS ONLY

4. BE WIND CONSCIOUS AT ALL TIMES

5. CK WITH RSC RESOURCES, L.P. MAIN OFFICE

RSC Resources Limited Partnership

1-432-553-1849

Emergency Phone Numbers

Eddy County Sheriff's Office	575-746-9888
Ambulance Service	911 or 575-746-5051
Artesia Fire Dept	911 or 575-746-5051
Loco Hills Volunteer Fire Dept.	911 or 575-677-3266
Closest Medical Facility	Artesia General Hospital 575-748-3333
New Mexico State Police	575-746-2703

Surface Use and Operations Plan

**RSC Resources Limited Partnership
Lucky Wolf "30" Federal Com # 1H
860' FSL & 100' FWL
Sec. 30, T16s, R28E, Eddy Co., NM**

Located

Approximately 12 miles NE of Artesia, New Mexico.

Oil & Gas Lease

NMNM 054856 Bottom Hole, (NM 012110 Surface)

Bond Coverage

NM 437

Pool

Dog Canyon: Wolfcamp

Oil & Gas Record Lessee & Operating Rights

Various

Surface & Mineral Owner

Bureau of Land Management

Grazing Tenant

Bogle Ltd Co. LLC, P.O. Box 460, Dexter, NM 88230 (575) 433-3500

Exhibits Included

**C-102 Well Location & Acreage Dedication Plat
Detailed Survey of Location, pad, and Access Road
Topographic & Location Verification Map
Vicinity Oil & Gas Map
Drilling Rig Layout
Production Facilities Layout
BOP& Choke Manifold Schematic
List of Wells in Section 30-16S-28E**

Existing Roads

The Survey Plat exhibits show the location of the proposed well as staked and existing roads in the vicinity of the proposed well site.

From Artesia, go east on U.S. Hwy 285 for 9.5 miles, turn north on County Rd #202(Southern Union Rd) for 2.8 miles, northeast on CR #202 for 1.3 miles, turn northwest for 0.1 mile, turn north on lease road for 2.0 miles, turn west on lease road for 0.4 miles, turn south on proposed road 0.1 mile to location. The lease road will require some conditioning.

Mr. Barry Hunt has done a field inspection on 1/6/09.

Access Roads

Length and Width

Proposed access road is 663' long and 20' wide.

Surface Material

Six inches of caliche and water, compacted and graded.

Maximum Grade

Less than three percent

Turnouts

None needed

Drainage Design

N/A

Culverts

None needed

Gates and Cattle Guards

None required

Location of Existing Wells

The locations of existing wells in Section 30 are shown as an exhibit.

Location of Existing and/or Proposed Facilities

Necessary production facilities for this well will be located on the well pad.

Location and Type of Water Supply

It is planned to drill the proposed well with a cut-brine water system or with produced water. The water will be obtained from either a private water well owner or a commercial source and will either be piped to location from a nearby water well or will be hauled to location by truck over existing and proposed lease roads.

Source of Construction Materials

Caliche required for the construction of the location pad and access road will be obtained from caliche on the location or from the nearest BLM-approved pit.

Methods of Handling Waste Disposal

All drilling fluid will be circulated over shaker(s) with cuttings discharged into roll off container.

Fluid and fines below shaker(s) will be circulated with transfer pump through centrifuge(s) or solids separator with cuttings and fines discharged into roll off container.

Fluid will be continuously re-circulated through equipment with polymer added to aid separation of cutting fines.

Roll-off containers will be lined and de-watered with fluids re-circulated into system.

Additional tank will be used to capture unused drilling fluid or cement returns from casing jobs.

This equipment will be maintained 24 hours/day by solids control personnel and/or rig crews that stay on location.

Cutting will be hauled to one of the following, depending on which rig is available to drill well:

CRI (permit number R9166)

or

GMI (permit number 711-019-001)

Ancillary Facilities

None Required

Well Site Layout

A well site plat shows the relative location and dimensions of the well pad, mud pits, and trash pit, and the location of major rig components. The Vee-door will be to the east and the steel pits located to the north.

The ground surface at the drilling location will require up to 4' cut and fill.

A Closed-Loop Mud System will be used.

The pad area has been staked and flagged.

Plans for Restoration of the Surface

After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleared of all trash and junk to leave the site in an as aesthetically pleasing condition as possible.

Any unguarded pits containing fluids will be fenced until they are filled.

If the proposed well is non productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible.

Other Information

Topography

The land surface at the well site is small rolling hills, foamy soil shallow to caliche and raw Gypsum.

Soil

The topsoil at the well site is caliche.

Flora and Fauna

The vegetation consists of creosote, mesquite, acacia, yucca, prickly pear, Mormon tea, pencil cholla and various grasses. Wildlife in the area is sparse, consisting of coyotes, rabbits, rodents, reptiles, dove and quail.

Ponds and Streams

There are no rivers, lakes, ponds, or streams in the area.

Residences and Other Structures

There are no residences within one mile of the proposed well site.

Archaeological, Historical, and Cultural sites

An Archaeological Survey has been requested and report will be submitted when ready.

Land Use

Grazing

Operator's Representatives

Randall Cate

6824 Island Circle

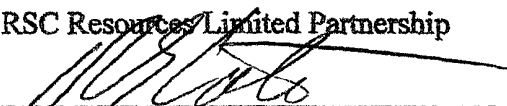
Midland, TX 79707

Cell Phone: (432) 553-1849

CERTIFICATION:

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 presently exist: that the statements made in this plan are to the best of my knowledge, true and correct: and that the work associated with the operations proposed herein will be performed by RSC Resources Limited Partnership 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 the provisions of 18 U.S.C. 1001 for the filing of false statements.

RSC Resources Limited Partnership


Randall Cate, President

Date: 3/10/09

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	RSC Resources Limited Partnership
LEASE NO.:	NM-54856
WELL NAME & NO.:	Lucky Wolf 30 Fed Com #1H
SURFACE HOLE FOOTAGE:	860' FSL & 100' FWL
BOTTOM HOLE FOOTAGE:	990' FSL & 330' FEL
LOCATION:	Section 30, T. 16 S., R 28 E., NMPM
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
 - Cave/Karst
- ☒ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☒ **Road Section Diagram**
- ☒ **Drilling**
 - High cave/karst requirements
 - Contingency casing program
- ☐ **Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- ☒ **Closed Loop System/Interim Reclamation**
- ☐ **Final Abandonment/Reclamation**

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator 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 shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

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.

V. SPECIAL REQUIREMENT(S)

Communitization Agreement

A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales. Operator to supply NMOCD order or description of pool which details the vertical and horizontal extent of pool to verify that requested communitization is within an approved and established pool.

**** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.**

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production.

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Pad Berming:

All sides of the pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the pad.

Tank Battery Liners and Berms:

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, siting valves and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check valves, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in high cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5972 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall stockpile the topsoil of the well pad. The topsoil shall not be used to backfill the reserve pit and will be used for interim and final reclamation.

C. Closed Loop System

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

If the operator elects to surface the access road and/or well pad, mineral materials extracted during construction of the reserve pit may be used for surfacing the well pad and access road and other facilities on the lease.

Payment shall be made to the BLM prior to removal of any additional federal mineral materials from any site other than the reserve pit. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. ON LEASE ACCESS ROADS

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 thirty (30) 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

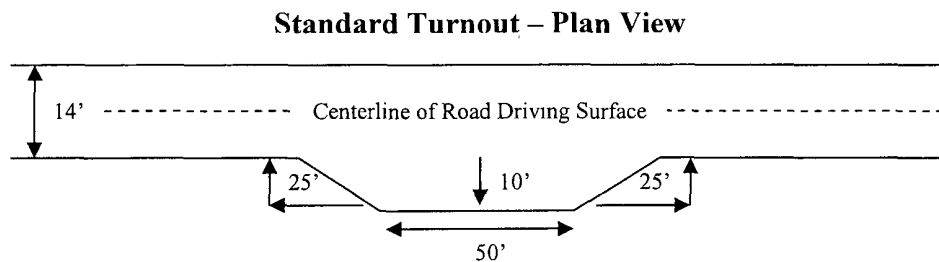
Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

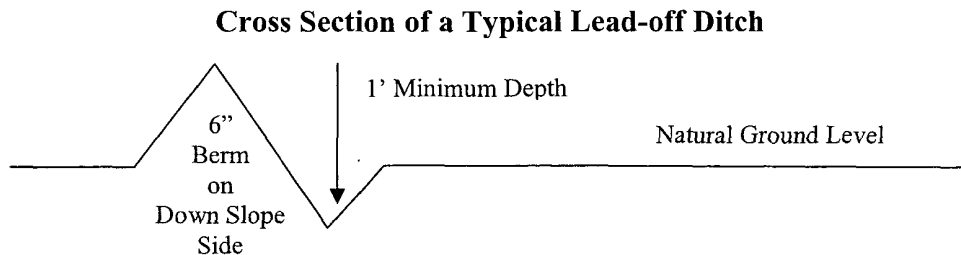
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall be constructed on all blind curves. Turnouts shall conform to the following diagram:



Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outslowing 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.



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:

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

Culvert Installations

Appropriately sized culvert(s) shall be installed at the deep waterway channel flow crossing.

Cattleguards

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

Any existing cattleguard(s) on the access road 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 cattleguard(s) that are in place and are utilized during lease operations.

A gate shall be constructed and fastened securely to H-braces.

Fence Requirement

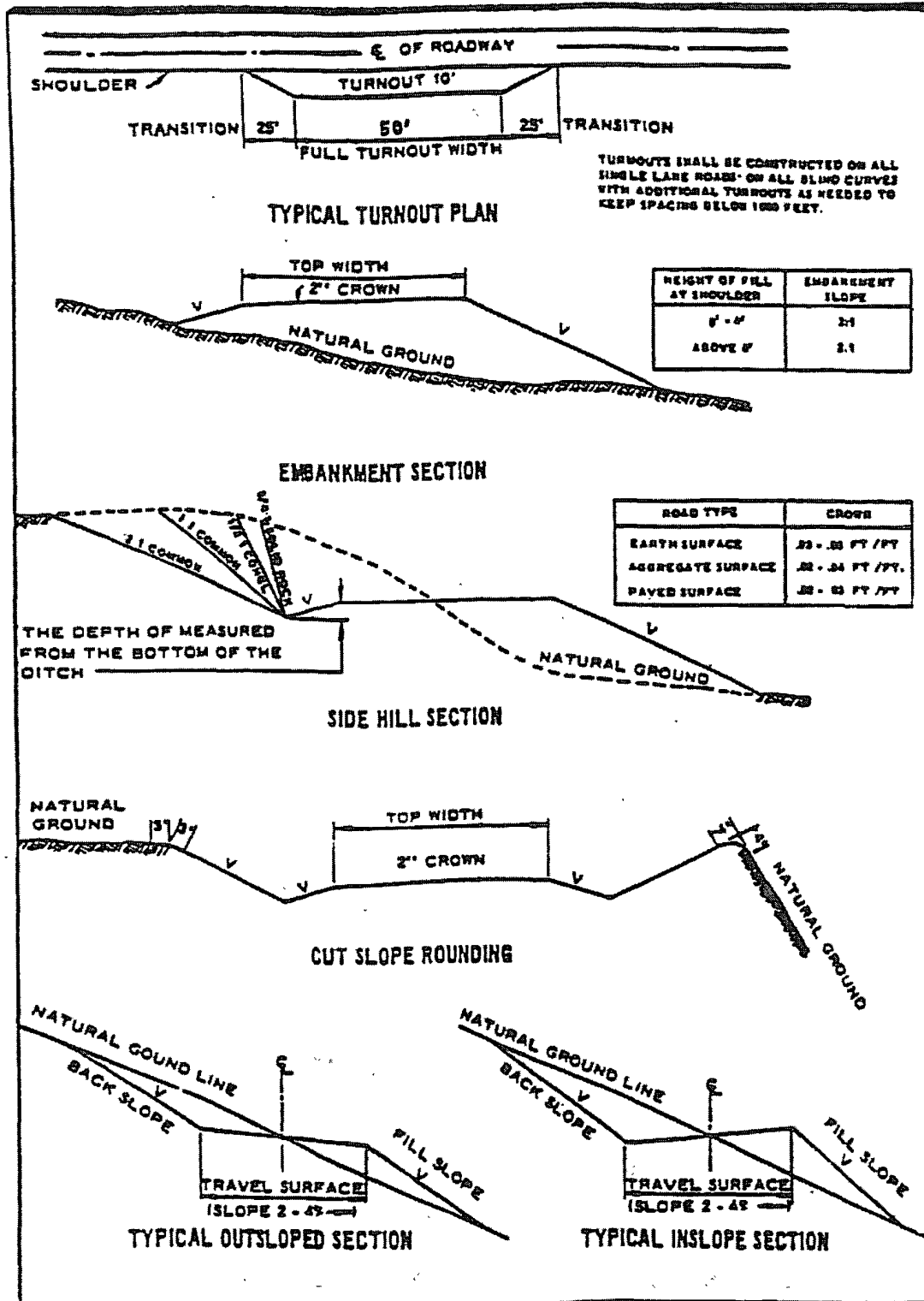
Where entry is required across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting.

The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Figure 1 – Cross Sections and Plans For Typical Road Sections



VII. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Although there are no measured amounts of Hydrogen Sulfide reported, it is always a potential hazard. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

High cave/karst.

Possible lost circulation in the Grayburg and San Andres formations.

Possible high pressure gas bursts in the Wolfcamp formation.

1. The 13-3/8 inch surface casing shall be set **at approximately 500 feet in the Tansill formation** and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry. This will not be applicable if the proposed cement program is used.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

NOTE: Fresh water mud to be used to a depth of 1800 feet.

2. The minimum required fill of cement behind the 7 inch intermediate casing is:
 - ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst concerns. If lost circulation occurs while drilling the wellbore for this segment, the BLM is to be contacted prior to running the 7" casing as high cave/karst area requires two casing strings with cement across the cave segment. This cement sheath should be solid, which could require installing a DV tool.
3. The minimum required fill of cement behind the 4-1/2 inch production liner is:
 - ☒ Cement not required. Operator using packer assembly.

CONTINGENCY CASING PROGRAM

Fresh water mud to be used to setting of 9-5/8" casing.

4. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

- ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst concerns.

If 75% or greater lost circulation occurs while drilling the intermediate casing hole, the cement on the production casing must come to surface. Wait on cement (WOC) time for a primary cement job on the production casing will then include the lead cement slurry due to cave/karst concerns.

5. The minimum required fill of cement behind the 7 inch production casing is:

- ☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

6. The minimum required fill of cement behind the 4-1/2 inch production liner is:

- ☒ Cement not required. Operator using packer assembly.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.

- c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
- e. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

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VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Containment Structures

The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color
Shale Green, Munsell Soil Color Chart # 5Y 4/2

B. PIPELINES

C. ELECTRIC LINES

IX. INTERIM RECLAMATION & RESERVE PIT CLOSURE

A. INTERIM RECLAMATION

If the well is a producer, interim reclamation shall be conducted on the well site in accordance with the orders of the Authorized Officer. The operator shall submit a Sundry Notices and Reports on Wells (Notice of Intent), Form 3160-5, prior to conducting interim reclamation.

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

The operators should work with BLM surface management specialists to devise the best strategies to reduce the size of the location. Any reductions should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

BLM SERIAL NO.
COMPANY REFERENCE
WELL NO. & NAME

Seed Mixture 4, for Gypsum Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

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

<u>Species</u>	<u>lb/acre</u>
Alkali Sacaton (<i>Sporobolus airoides</i>)	1.0
DWS Four-wing saltbush (<i>Atriplex canescens</i>)	5.0

DWS: DeWinged Seed

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed
(Insert Seed Mixture Here)

X. FINAL ABANDONMENT & REHABILITATION REQUIREMENTS

Upon abandonment of the well and/or when the access road is no longer in service the Authorized Officer shall issue instructions and/or orders for surface reclamation and restoration of all disturbed areas.

On private surface/federal mineral estate land the reclamation procedures on the road and well pad shall be accomplished in accordance with the private surface land owner agreement.