

New Mexico Oil Conservation Division, District I  
1625 N. French Drive  
Hobbs, NM 88240

Form 3160-3  
(April 2004)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No.
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Range Operating New Mexico, Inc.		7. If Unit or CA Agreement, Name and No.
3a. Address 777 Main Street Suite 800 Fort Worth TX 76102		8. Lease Name and Well No. <u>&lt;3508&gt;</u> Trantula Federal 3 #2
3b. Phone No. (include area code) (817) 810-1908		9. API Well No. <u>30-025-37516</u>
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL & 550' FEL At proposed prod. zone 1980' FNL & 550' FEL Unit H		10. Field and Pool, or Exploratory Justis Tubb-Drinkard
11. Sec., T. R. M. or Blk. and Survey or Area Sec.3, T25S, R37E N.M.P.M.		12. County or Parish Lea
13. State NM		14. Distance in miles and direction from nearest town or post office* 3 Miles Northeast From Jal, NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 160	17. Spacing Unit dedicated to this well 40.19
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 6600	20. BLM/BIA Bond No. on file NM 2399
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3160'	22. Approximate date work will start* 09/15/2005	23. Estimated duration 15 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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <u>Linda C. Stiles</u>	Name (Printed/Typed) Linda C. Stiles	Date 08/31/2005
Title Sr. Engineering Tech		

Approved by (Signature) <u>/s/ Joe G. Lara</u>	Name (Printed/Typed) <u>/s/ Joe G. Lara</u>	Date OCT 11 2005
Title FIELD MANAGER ACTING		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 1 YEAR

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)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

KZ

## INSTRUCTIONS

**GENERAL:** This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

**ITEM 1:** If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

**ITEM 4:** Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

**ITEM 14:** Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

**ITEMS 15 AND 18:** If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

**ITEM 22:** Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

## NOTICE

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

**PRINCIPAL PURPOSES:** The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

**ROUTINE USE:** Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

**EFFECT OF NOT PROVIDING INFORMATION:** Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630) MS 401 LS, 1849 C Street, NW., Washington, D.C. 20240.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

# NOTICE OF STAKING

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number  NM0542015
1. Oil Well <u>  X  </u> Gas Well <u>      </u> Other <u>      </u> (Specify)		7. If Indian, Alottee or Tribe Name
2. Name of Operator  Range Operating New Mexico, Inc.		8. Unit Agreement Name
3. Name of Specific Contact Person  Linda Stiles		9. Farm or Lease Name  Trantula 3 Federal
4. Address & Phone No. of Operator or Agent  777 Main St. Suite 800 Ft. Worth, TX 76102 (817) 870-2601		10. Well No.  2
5. Surface Location of Well  1980' FNL & 550' FWL Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries.		11. Field or Wildcat name  Justis
15. Formation Objective (s)  Tubb/Drinkard		12. Sec., T., R. M., or Blk and Survey or Area  3, T25S, R37E
16. Estimated Well Depth  6600		13. County, Parish or Borough  Lea
17. Additional Information (as appropriate; shall include surface owner's name) Intrepid Mining NM, LLC		14. State  New Mexico
18. Signed: <u>Linda C. Stiles</u> Title: Sr Engineering Tech Date: 8-31-2005		

Note: Upon receipt of the Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H2S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

DISTRICT I  
1626 N. FRENCH DR., HOBBS, NM 58240

State of New Mexico  
Energy, Minerals and Natural Resources Department

DISTRICT II  
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name <b>TARANTULA "3" FEDERAL</b>	Well Number <b>2</b>
OGRID No.	Operator Name <b>RANGE OPERATING NEW MEXICO, INC.</b>	Elevation <b>3160'</b>

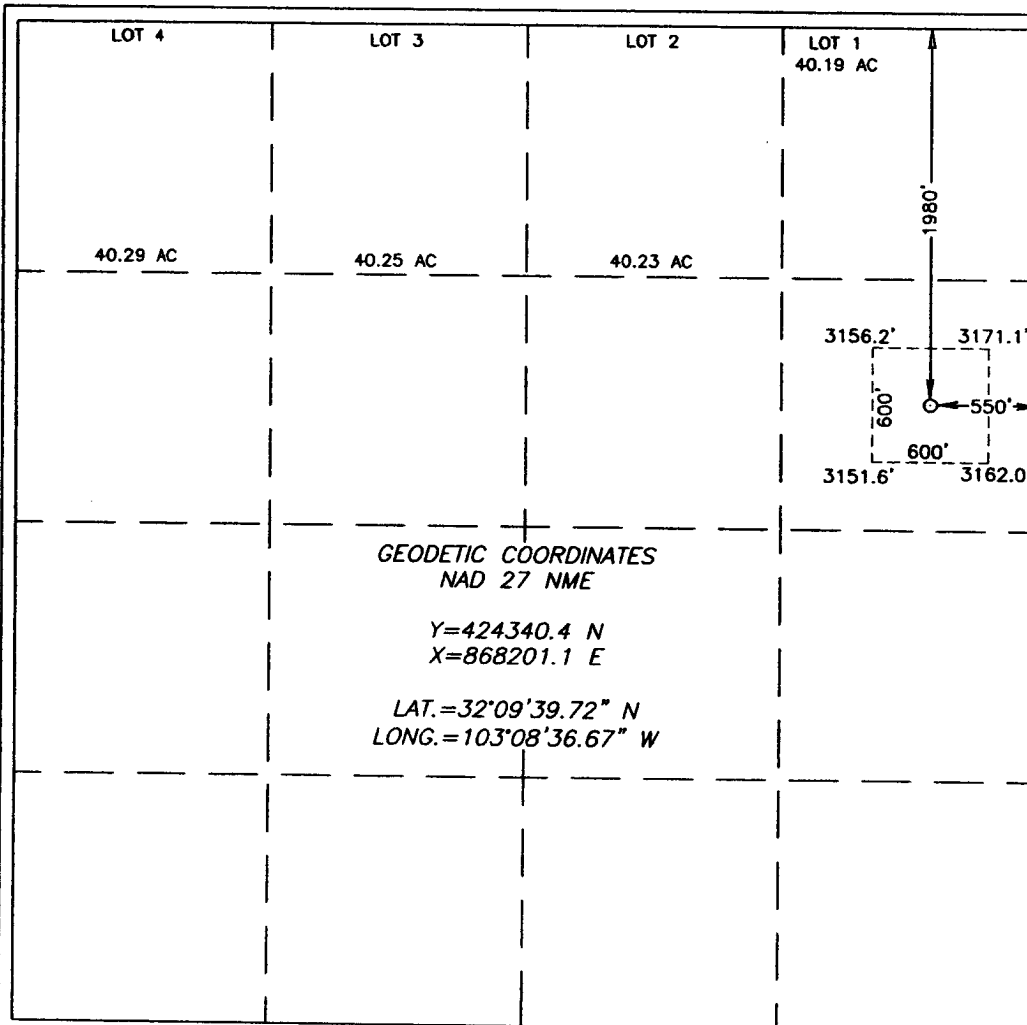
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	3	25-S	37-E		1980	NORTH	550	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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



OPERATOR CERTIFICATION

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

*Andrew Tullis*  
Signature

Andrew Tullis  
Printed Name

District Eng.  
Title

8-26-05  
Date

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.

JULY 5, 2005

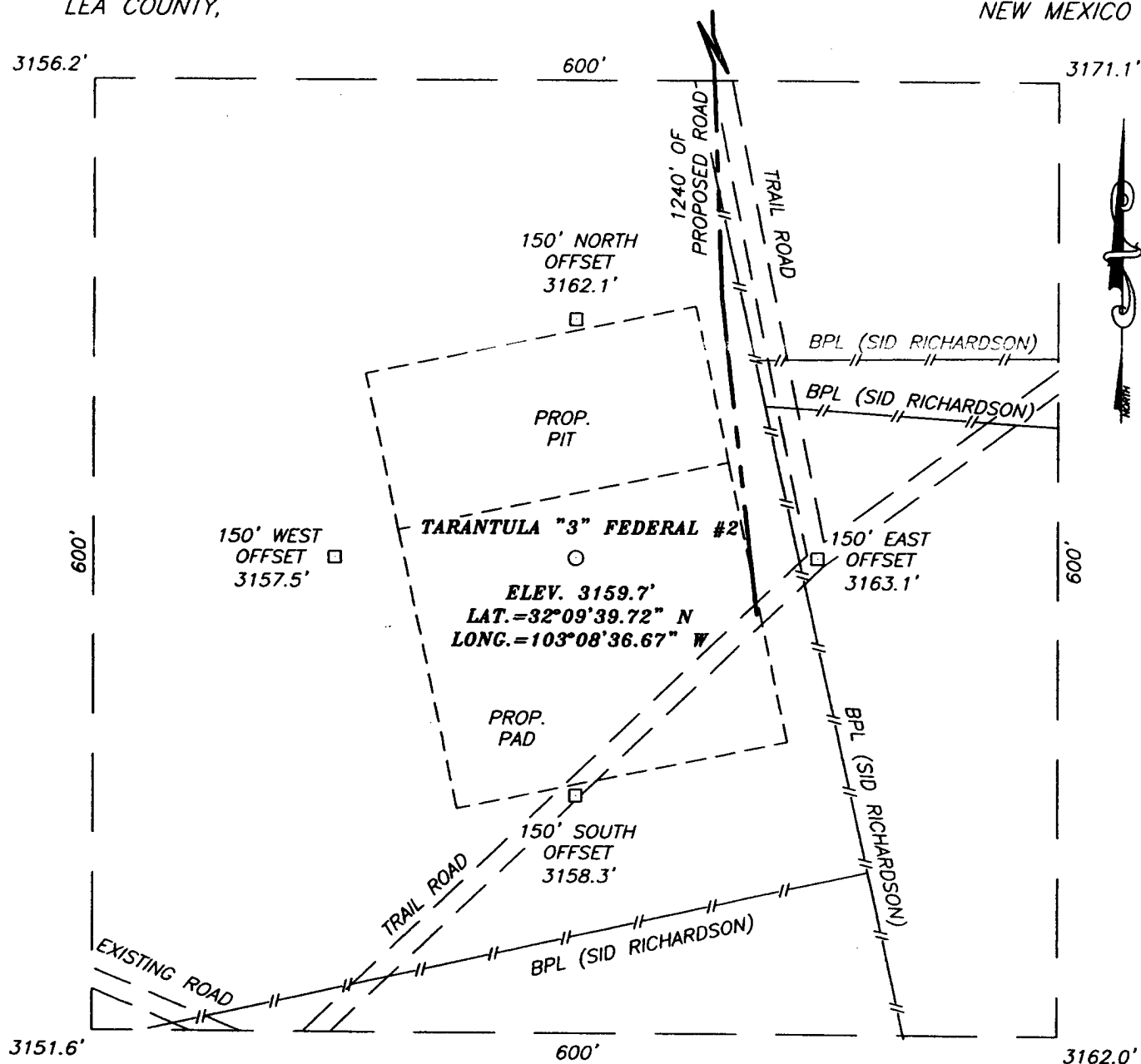
Date Surveyed DEL

Signature & Seal  
Professional Surveyor

*GARY EDSON*  
GARY EDSON  
05.11.1056

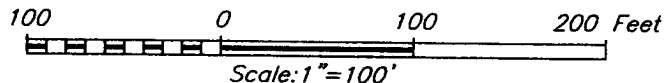
Certificate No. GARY EDSON 12841

**SECTION 3, TOWNSHIP 25 SOUTH, RANGE 37 EAST, N.M.P.M.,**  
LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

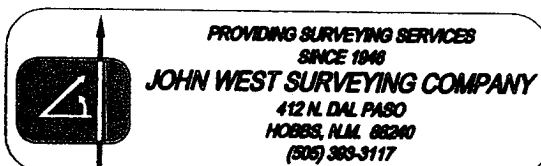
FROM THE INTERSECTION OF SID RICHARDSON ROAD (CO. RD. J-13 OR EL PASO RD.) AND WILLIS ROAD (CO. RD. J-4). GO SOUTH ON WILLIS RD. APPROX. 0.6 MILES. THIS LOCATION IS APPROX. 600' WEST OF ROAD.



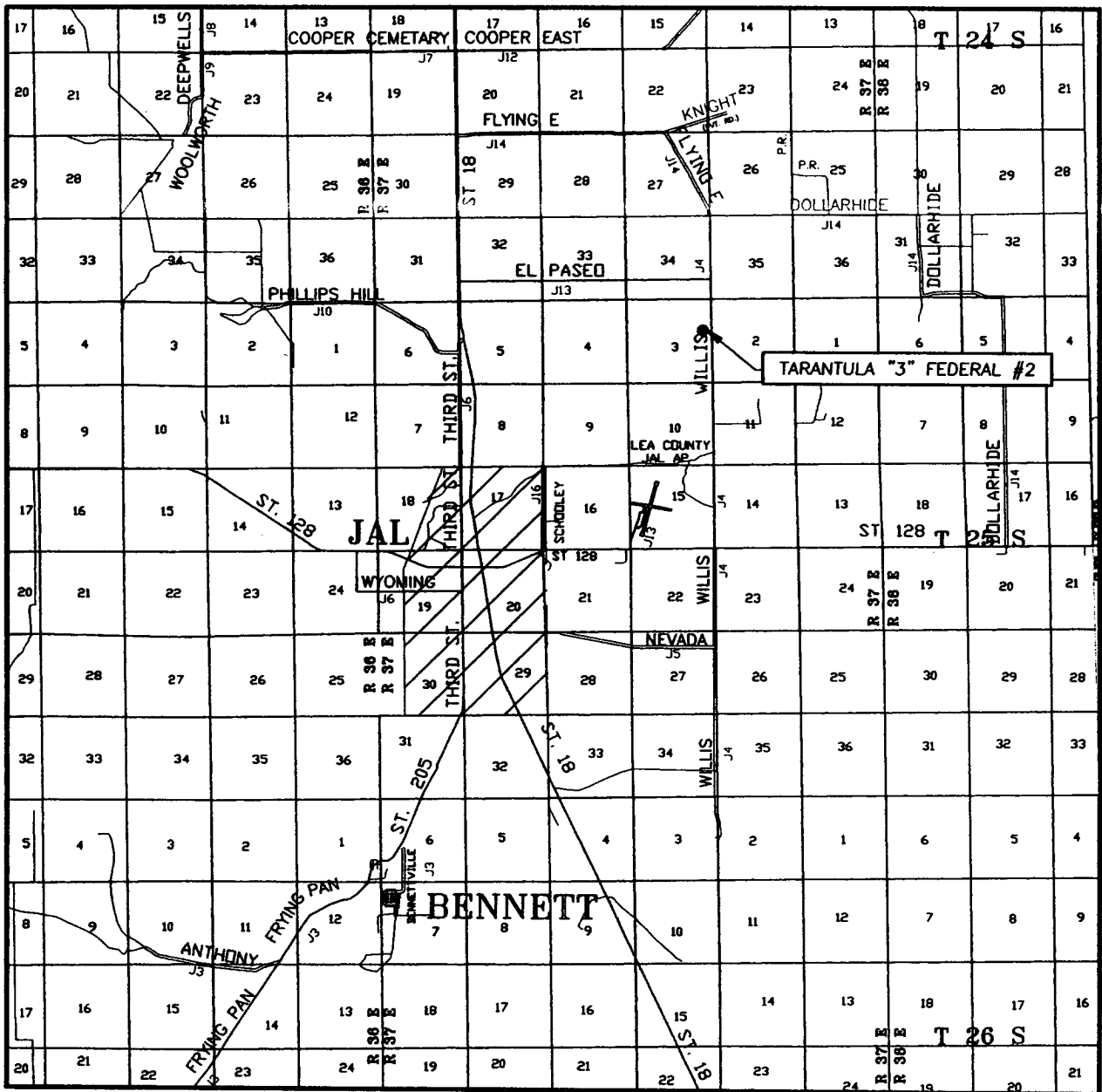
**RANGE OPERATING NEW MEXICO, INC.**

TARANTULA "3" FEDERAL #2 WELL  
LOCATED 1980 FEET FROM THE NORTH LINE  
AND 550 FEET FROM THE EAST LINE OF SECTION 3,  
TOWNSHIP 25 SOUTH, RANGE 37 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

Survey Date: 07/05/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.1056	Dr By: DEL
Date: 07/06/05	Rev 1: N/A
Disk: CD#4	05111056
	Scale: 1"=100'

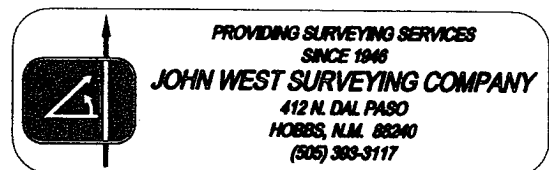


# VICINITY MAP

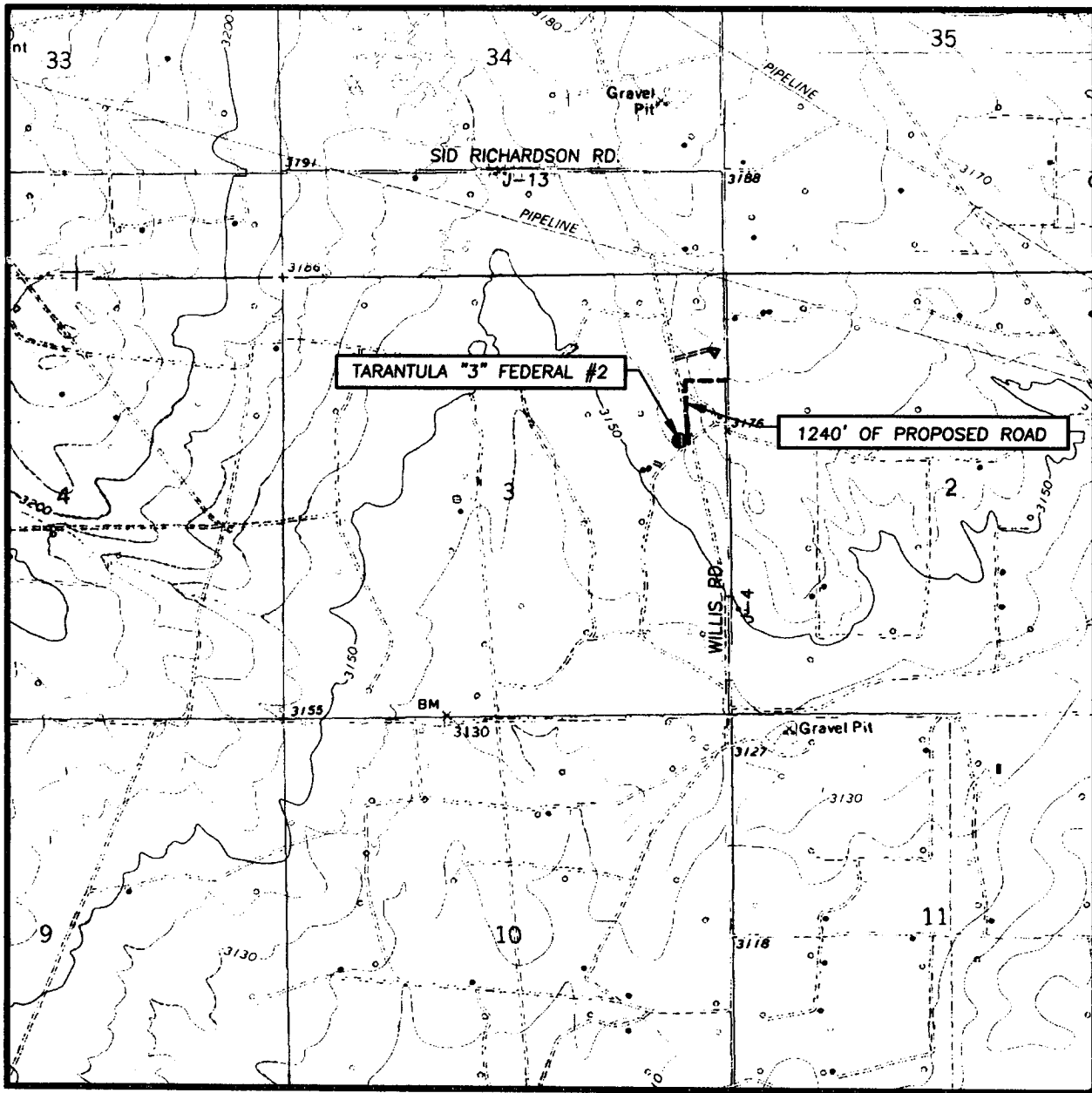


SCALE: 1" = 2 MILES

SEC. 3 TWP. 25-S RGE. 37-E  
 SURVEY N.M.P.M.  
 COUNTY LEA  
 DESCRIPTION 1980' FNL & 550' FEL  
 ELEVATION 3160'  
 OPERATOR RANGE OPERATING  
NEW MEXICO, INC.  
 LEASE TARANTULA "3" FEDERAL



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
JAL NW, N.M. - 10'

SEC. 3 TWP. 25-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

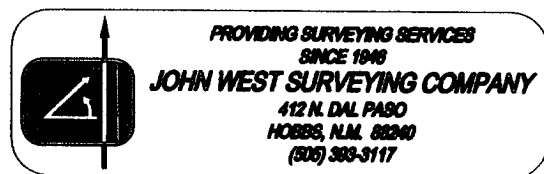
DESCRIPTION 1980' FNL & 550' FEL

ELEVATION 3160'

OPERATOR RANGE OPERATING  
NEW MEXICO, INC.

LEASE TARANTULA "3" FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
JAL NW, N.M.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

ROSWELL FIELD OFFICE  
2909 West Second Street  
Roswell, New Mexico 88201

Statement Accepting Responsibility for Operations

Operator Name: Range Operating New Mexico, Inc.  
Street or Box: 777 Main Street Suite 800  
City, State: Fort Worth TX  
Zip Code: 76102

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

Lease No.: LC032592A  
Legal Description of land: East quarter of Sec. 3, T25S, R37E  
Formations: Blinbry, Tubbs, Drinkard  
Bond Coverage: (State, Natonwide or Individual) Statewide  
BLM Bond File No.: NM 2399

Authorized Signature: \_\_\_\_\_



Title: Petroleum Engineer

Date: 8-31-2005



## **Linda Stiles**

---

**From:** Bobby Ebeier  
**Sent:** Wednesday, August 31, 2005 2:34 PM  
**To:** Linda Stiles  
**Cc:** Andrew Tullis  
**Subject:** Tarantula "3" Fed #2 well

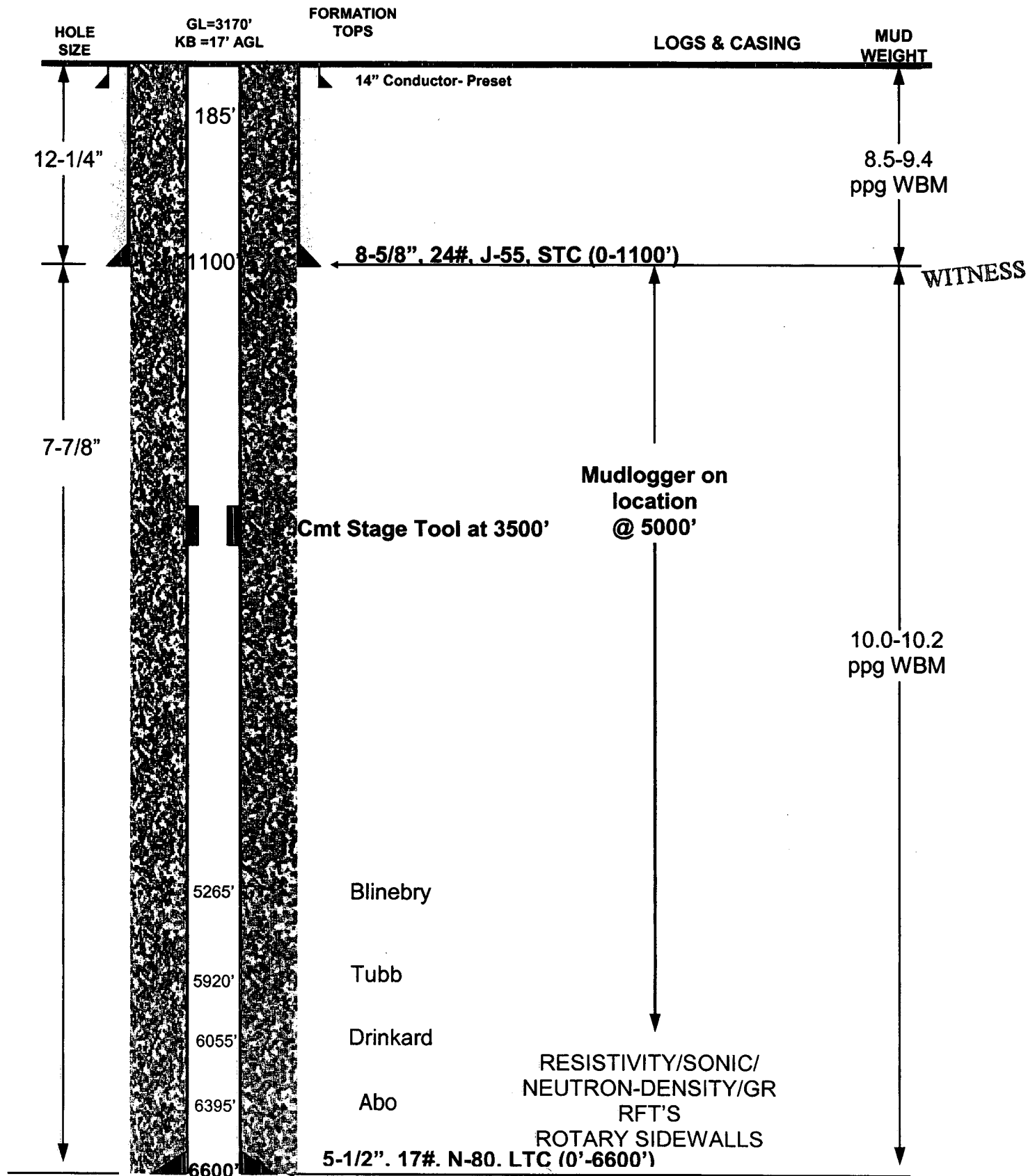
Linda:

Please accept this e-mail as my testimony that I have made an agreement to pay surface damages to Mr. and Mrs. Kennann for the Tarantula "3" Fed #2 well located in the E/2 E/2 of Section 3, T-25-S, R-37-E, Lea County, NM. The Kennanns are represented by Mr. Leo V. "Flap" Sims, II of Hobbs, NM (505.393.3024). Please call me if you have any questions. Thanks.

Robert Ebeier  
Senior Landman  
817.870.2601 (office)

WELL : Tarantula 3 Fed #2  
SL : 1980' FNL & 550' FEL, Sec 3-T25S-R37E  
COUNTY : LEA COUNTY  
STATE : NEW MEXICO

AFE:  
FIELD: Justis  
TD: 6600'  
PERMIT NO:





Range Operating NM  
**Tarantula 3 Fed #2**  
**Lea County, NM**  
**Drilling Program**  
Prepared 8/26/2005

**PROPOSED DEPTH:** 6600' MD / 6600' TVD  
**GROUND ELEVATION:** 3160'  
**KB:** 17'

**LOCATION:** 1980' FNL & 550' FEL, Sec. 3-T25S-R378E, Lea County, NM

**ANTICIPATED PRODUCTIVE FORMATION:** Tubb-Drinkard

**API NO:**

**GENERAL:**

The Tarantula 3 Fed #2 will be a 6600' Tubb/Drinkard producer in Lea Co., New Mexico drilled on a daywork basis by Adobe Rig #2. A 12-1/4" surface hole will be drilled to +/-1100'. A string of 8-5/8" casing will be run and cemented to surface.

Nipple up BOPs and test same, drilling will continue with a 7-7/8" hole to a total depth of 6600'. Actual TD will be spaced so that casing will be landed where the casing head can be screwed on. After electric-logging the open-hole interval, a string of 5-1/2" casing will be run and cemented from total depth to surface and the tubing head installed.

**ESTIMATED FORMATION TOPS: (Log Depths)**

Upper Permian Salado Fm	+2215 ft	970 ft MD	
Upper Permian Queen Fm	-70 ft	3255 ft MD	
Upper Permian San Andres Fm	-575 ft	3760 ft MD	
Upper Permian Glorieta Fm	-1710 ft	4895 ft MD	
Upper Permian Paddock Fm	-1835 ft	5020 ft MD	
Lower Permian Blinberry Fm	-2080 ft	5265 ft MD	*
Lower Permian Tubb Fm	-2735 ft	5920 ft MD	*
Lower Permian Drinkard Fm	-2870 ft	6055 ft MD	*
Lower Permian Abo Fm	-3210 ft	6395 ft MD	
PTD	-3415 ft	6600 ft MD	

\* = Primary Reservoir Targets

+ = Secondary Reservoir Targets

## **DETAILED DRILLING PROCEDURE**

### **TIMES AND EVENTS TO NOTE ON DRILLING REPORT:**

- A. SPUD (date and time)
- B. TD (each interval date and time)
- C. Cement in place (date and time)
- D. RIG RELEASE (date and time)

## **BOTTOM HOLE ASSEMBLIES**

- BHA #1: (0-1100') - Bit, 2-8" DC, 10-6.25" DC's
- BHA #2: (1100'-5900') - Bit, (2) 6.25" DC's, IBS, 6,25" DC, IBS, (22) 6.25" DC's
- BHA #3: (5900'-6600') - Bit, (22) 6.25" DC's

The IBS's will be layed down prior to drilling the Tubb.

## **USE OF RT TOOL**

Two RT tools will be run, one 500' above the top of the collars and the other at 1500' above the top the first RT tool.

## **MUD PROGRAM**

INTERVAL	MUD WEIGHT	FUNNEL VIS.	API Fluid Loss
0' - 1100'	8.4 – 9.4	32-34	NC
1200' - 6000'	10.0	28	NC
6000' - 6600'	10.0 – 10.2	30-33	10cc

- 1) Level and build an all-weather location and access road.
- 2) MIRU Adobe Rig #2. Perform rig safety inspection and ensure that everything is in proper working order prior to spudding well.
- 3) Notify NMOCD of intent to spud, run casing and cement each 24 hours in advance 505-748-1283.
- 4) Spud well with 11" mill tooth bit. BHA should consist of 3-8" drill collars and 6" drill collars. Drill to +/- 1100' with surveys at 500' and 1000' (Actual depth will be determined by the length of the casing). Circulate hole clean. Sweep and condition hole to run casing. Pull out of hole, lay down 11" BHA.

**NOTE:** Mud through this interval will be a native spud mud supplemented with Bentonite. Lime may be used to flocculate the mud and increase the yield point to clean the hole. Mix paper for seepage control. Utilize all solids control equipment to control drill solids. Run as fine of mesh shaker screens as

possible. Use water to control mud weight and viscosity. Maintain mud weight at 8.4 – 9.0 ppg.

- 5) Rig up casing crew and run 8-5/8", 24.0#, J-55, ST&C (\$15.50/ft) as follows:
- 1-8-5/8" Texas Pattern Shoe
  - 1-8-5/8" Insert Float Collar
  - 1-8-5/8" x 12-1/4" Centralizer 10' above shoe
  - 1-8-5/8" x 12-1/4" Centralizer every other joint
  - 1-8-5/8" Stop Ring
- 6) Circulate for at least bottoms up plus one casing volume with mud prior to cementing. Cement surface casing according to cement recommendation. NOTE: Have field bin, cement, and circulating equipment on location prior to casing job.
- a) Review rates, pressures, displacement volumes and casing pressure rating with Service Company and rig personnel. All cement slurries are to be lab tested; both a pilot test and a test of the actual field blend. Report results, including 24 hour compressive strengths, to the office. **(See Cement Testing Requirements below)**. Also keep two samples of each of the dry cements in the event that a problem is encountered while cementing. Discard this sample if all indications are positive.
  - b) Cement well as follows: Pump 20 bbl fresh water followed by 650 sxs class "C" with 4 % gel, 2% CcCl<sub>2</sub>, @ 14.8ppg, Displace with fresh water, Bump plug with w/ 500 psi over final pump pressure.
  - c) If cement is not circulated to surface, contact the office and the NMOCD and prepare to run 1" and top out cement. Have 1" pipe on location for possible top-out.
  - d) If cement falls, fill 12.25" X 8-5/8" annulus with cement.
- 7) Release pressure and check for flow back. Set casing on bottom. If float is holding, base nipple up of wellhead and BOP on the surface cement samples. Well must stand at least 8 hours total before any testing of casing is performed per NMOCD.
- 8) After Cementing casing, weld on 8-5/8" flange type casing head. Test BOP blind Rams & choke manifold 250# low & 3000# high. Pick up Bit #2 (7-7/8") & BHA, trip in hole, test BOP pipe rams 250# low & 3000#. **Pressure test casing to 1000 psi for 30 minutes prior to drilling out shoe.** Clearly report this test information of the daily drilling report.

**MUD NOTES: See Mud Program for details**

After cementing 8-5/8" casing circ pit with brine water. Mix paper for seepage control. Utilize pre-hydrated Gel/Lime sweeps for flushing the hole. Run all available solids control equipment to control weight. Add brine water as needed to maintain volume. Add LCM to system only as needed. Use batch LCM treatment if losses occur and maintain as needed.

- 9) Drill ahead with brine water in 7-7/8" hole taking deviation surveys every ±500' or nearest bit run per NMOCD rules. Use sweeps as needed to clean hole. Drill to +/-6600; exact TD will be determined by the length of the casing. Sweep and condition hole in preparation for logging. Spot a 50 bbl, 40-42 visc pill prior to POOH for logs. Strap out of hole.
- 10) RU Wire line Truck and Tools. Log well as instructed by Range Operating NM. Rotary sidewall cores may be required along with RFTs.
- 11) Make a conditioning trip prior to running casing. Trip into hole with BHA and drill pipe, break circulation at 6740'. Ream last two stands to bottom. Circulate and condition hole. Maintain viscosity of 28. TOH laying down 4-1/2" drill pipe and drill collars. Clear floor and prepare to run casing.

12) Rig up casing crew and run 5-1/2" 17#, N-80, LT&C as follows:

- a) Float shoe (thread-lock)
- b) 2 jts. 5-1/2", 17#, N-80, LT&C casing (thread-lock)
- c) Float collar (thread-lock)
- d) 5-1/2", 17#, N-80, LT&C Casing to 3500'.
- e) Cement Stage Tool @ 3500'
- f) 5-1/2", 17#, N-80, LT&C Casing to surface

The two bottom joints of 5-1/2" casing and the float shoe and float collar should be thread-locked (do not weld pipe). Run 1 centralizer 5' above shoe with limit clamp, one on the next collar, one just below the float collar with limit clamp and one per joint up to 4500'.

13) Circulate mud for at least bottoms up plus one casing volume prior to cementing.

14) Cement the production casing as follows. Re-figure cement volumes on a basis of: caliper + 20% + 50 sx. Precede Cement with 20 bbl fresh water, 500 gals superflush, 20 bbl fresh water

**Stage One (6600' to 3500'):**

**600 SACKS**

Slurry: PVL Cement + 0.3% D-167 + 0.2% D-65 + 0.1% D-13 + 0.2% D46 + 4#/sk D-24 + 1#/sk D-44

Slurry Weight: 13.0 ppg      Slurry Yield: 1.41 cuft/sk      Water: 6.83 gals/sk

**Stage Two (3500' to Surface):**

**500 SACKS**

Slurry: PVL Slurry: 65/35 (Class C/POZ) + 6% D-20 + 5% D-44 + 0.3% S-1 + 4#/sk D-24 + 0.25#/sk

Slurry Weight: 12.4 ppg      Slurry Yield: 2.21 cuft/sk      Water: 12.11 gals/sk

Review rates, pressures, displacement volumes and casing pressure rating with Service Company and rig personnel. All cement slurries are to be lab tested; both a pilot test and a test of the actual field blend. Report results, including 24 hour compressive strengths, to the office. (**See Cement Testing Requirements below**). Also keep two samples of each dry cement.

- a) Have additional water storage on location as necessary for mixing cement. Have water analyzed by cementing company for compatibility with cement and chemicals.
- b) Reciprocate pipe during 1<sup>st</sup> Stage job. Take special care to move pipe very slowly on the down stroke. Pump spacer and cement at 7-8 BPM. When the last cement has been pumped, maintain rate at 7-8 BPM. Displace with fresh water. When reaching displacement to shoe joint minus 10 bbls slow pump rate to 2 barrels per minute or less prior to bumping plug. Bleed off pressure and check for backflow. If negative, remove the cap and drop the opening bomb for the second stage job. Wait 30 minutes then attempt to open stage tool. Circulate a minimum of 2 hours prior to pumping second stage job.
- c) Cement second stage. Bump plug with 500 psi over final displacement pressure and hold pressure for 15 minutes.
- d) If cement does not circulate notify NMOCD office.

15) Release pressure and check for flow back. If floats are holding, continue to make preparations to hang 5-1/2" casing one foot off bottom. If floats do not hold, wait 12 hours on cement.

16) Set 5-1/2" slips in "A" section with full string weight. Nipple down BOP, Nipple up well head.

17) Install cap. Clean mud pits and release rig.

**CEMENT TESTING REQUIREMENTS:**

Laboratory Blend: Obtain thickening time, rheology, water loss, and compressive strengths of the laboratory cement blend with a water sample of the actual water to be used in cementing for each cement slurry to be pumped.

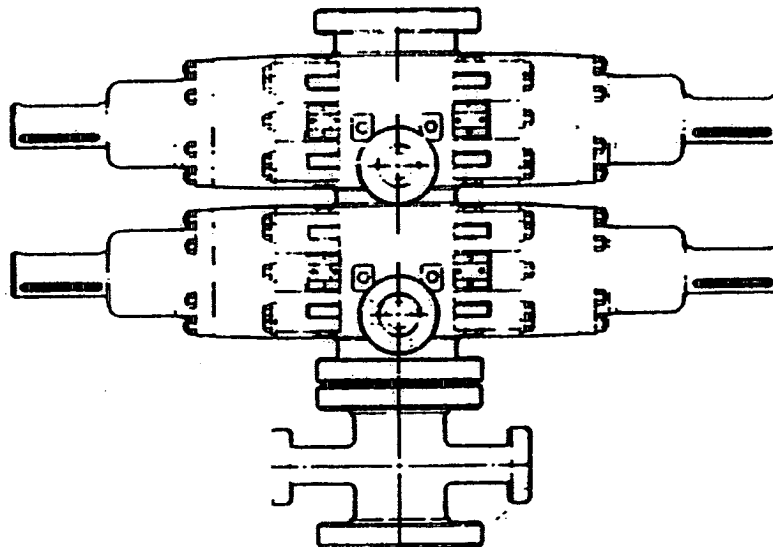
Field Blend: Obtain thickening time of the field cement blend with a water sample of the actual water to be used in cementing for each slurry to be pumped. If the thickening time of the field blend is consistent with the thickening time of the laboratory blend, proceed with the cement job. If not, wait on the compressive strength results. Regardless of thickening time results, obtain all of the compressive strengths of field blend to compare with the compressive strengths of the laboratory blend.

Don Robinson	Drilling Manager	469-450-2281	972-317-8345	817-509-1506
George Allen Teer	VP of Operations	(817) 723-1107	(817) 491-3740	(817) 870-2601
Andrew Tullis	District Engineer	(817) 797-2804	(214) 505-0233	(817) 870-2601
Martin Emery	Chief Geologist	(817) 366-3693	(817) 430-4861	(817)870-2601
Linda Stiles	Regulatory Tech	(817) 291-4618	(817) 561-5544	817-810-1908

<b>Adobe., Midland, TX</b>	<b>Rig Company</b>	<b>Larry Bohannon</b>	<b>(432)-552-5553</b>
<b>Adobe Rig #2</b>	<b>Rig Floor</b>		
	<b>Tool Pusher</b>		
<b>Suttles Logging, Inc. – Midland, TX</b>	<b>Mudlogging</b>	<b>Sam Samford</b>	<b>432-687-3148</b>
<b>Schlumberger-Artesia, NM</b>	<b>Cementing Service</b>	<b>Lynn Northcutt</b>	<b>(505)-748-1392</b> <b>cell 505-365-7510</b>
<b>Nova Mud, Inc- Hobbs, NM</b>	<b>Drig Mud</b>	<b>Dale Welch</b>	<b>(800) 530-8786</b>
<b>National – Hobbs, NM</b>	<b>Well Heads</b>		<b>(505) 393-9928</b>
<b>Master Tubulars – Midland, TX</b>	<b>Casing &amp; Tubing</b>	<b>Randy Martin</b>	<b>(800) 682-8996</b>
<b>TFH –Hobbs, NM</b>	<b>Dirt Contractor</b>		<b>(505) 397-3270</b>
<b>Weatherford –Artesia, NM</b>	<b>Float Equipment</b>		
<b>Halliburton Logging –Hobbs, NM</b>	<b>Open Hole Logs</b>	<b>Michael Escriva</b> <b>Tommy Johnson</b>	<b>(505) 392-7543</b>
<b>Allen's Casing Crew -Hobbs, TX</b>	<b>Csg Crew</b>		
<b>Riverside- Carlsbad, TX</b>	<b>Water -</b>		<b>(505) 885-6663</b>
<b>National –Hobbs, NM</b>	<b>General Supplies</b>		<b>(505) 393-9928</b>
<b>TFH –Hobbs, NM</b>	<b>Fork Lift</b>		<b>(505) 397-3270</b>
<b>Adobe Rentals</b>	<b>Trailer, sewage, water</b>		
<b>Abbot Brothers</b>	<b>Conductor setting</b>		
<b>RTO Sales &amp; Lease</b>	<b>Satellite Internet</b>		<b>432-550-5678</b>



# BLOW OUT PREVENTION EQUIPMENT



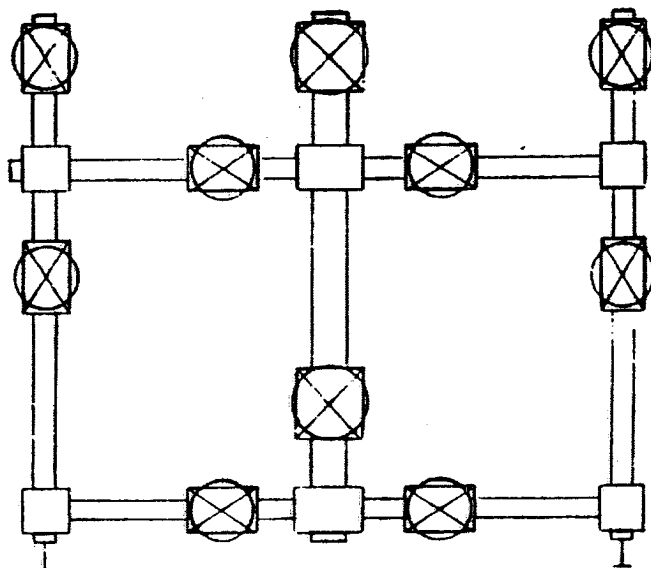
## BOP Stack

- 1 Rucker Shaffer "B" double ram  
10" - 3000 psi WP

## Closing Unit

- Hydril model 80 three station accumulator
- Controls located in accumulator house and on rig floor

## CHOKE MANIFOLD



900 Series. 3000 psi WP

PLAT #2

Multi-Point Surface Use Operating Plan  
Range Operating New Mexico  
Tarantula 3 Fed #2

This plan is submitted with form 3160-3, Applications 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 and the procedures to be followed in rehabilitation of the surface after completion of the operations, so that a complete appraisal can be made of the environmental affects associated with the operation.

1. Existing Roads:

A. Exhibit A is a portion of a road map showing the location of the proposed well. The proposed location is situated approximately 3 miles Northeast of Jal, New Mexico.

B. Directions:

From the intersection of Sid Richardson Road (Co. Rd. J-13 or El Paso Rd.) and Willis Road (Co. Rd. J-4) go south on Willis Rd. approximately 0.6 miles. The location is approximately 600' west of road.

2. Planned Access Road

A. Approximately 1240' of new road will be constructed on flat terrain as per BLM specifications from Willis Rd. to location as shown on Exhibit B

3. Location of Existing Wells:

A. No existing well in the vicinity.

4. Location of Existing and/or Proposed Facilities

A. The layout of the well pad, drilling rig and reserve pit are shown in Exhibit C.

B. In the event that this well is productive, a flow line will be laid to the battery at the Tarantula 3 Fed #1 which has the same mineral ownership. The line will be laid along the ARC surveyed road between the Tarantula 3 Fed #1 and the proposed well.

C. The production facility will consist of two 500 bbl steel oil storage tanks, one 500 bbl closed top fiberglass tank, one separator and one heater treater at the Tarantula 3 Fed #1 location.

5. Location and Type of Water Supply:

- A. The well is to be drilled with both fresh and brine water to be hauled to the location by truck and will be bought from commercial sources.

6. Source of Construction Material:

- A. Material excavated from the reserve pit will be used to build location and any additional material needed will come from Fee land.

7. Methods of Handling Waste Disposal:

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Oil produced during operations will be stored in tanks and hauled off site.
- D. Human sewage will be contained in a portable chemical toilet, transported from the site and disposed of at an approved site.
- E. Trash will be deposited in a metal container and hauled to an approved disposal site.
- F. Within 30 days following drilling and/or completion operations, trash and debris will be hauled to an approved disposal site.

8. Ancillary Facilities

None

9. Well site Layout:

- A. Exhibit C shows the dimensions of the well pad. Location of the major rig components, and well pad orientation are shown.
- B. Topography of the area is relatively level across the entire location. Fills should be no more than 3' deep.  
The location will be capped with 4" to 6" of caliche.
- C. No diversion ditches are planned.
- D. The pad has been stacked and flagged and an archeological study conducted and attached with this permit application.

10. Plans for Restoration of the Surface:

- A. Upon completion of drilling, completion and production operations, the area disturbed by the project will be restored to BLM specifications or to as near their former natural condition as possible.
- B. All of the caliche material will be removed and the area will be leveled to pre-project grade.
- C. No drainage systems will be needed on the site.
- D. No segregation of spoils is planned at this time as it is a blow sand area.
- E. Waste disposal was outlined in section 7.
- F. Re-vegetation and fertilization will be as per BLM stipulations.
- G. All areas not used for production will be restored after completion of the well. The existing roads will not be restored.

11. Surface Restored

- A. This is private/federal surface and a damage agreement has been negotiated with Tom and Winnie Kennann (surface owners), C/O Leo V. Sims II (attorney representing owner), P. O. Box 2630, Hobbs, NM 88241. (505) 393-3024.

12. Other Information

- A. The general location of this site is a rocky desert and mesquite brush area. The soil has a very small amount of vegetation and stockpiling of material is not planned.
- B. The vegetation is desert scrub characterized by various species of cacti, acacia, and mesquite.
- C. Wildlife species that occur in the area include: rabbits, mule deer, coyote, snakes and various rodents.
- D. No bodies of water are located near this location.
- E. An archaeological survey of the site and proposed access road has been conducted and the report is attached.


13. Operator's Representative and Certification

- A. The field representatives responsible for assuring compliance with approved surface use plan are:

	Office	Home
District Engineer Andrew Tullis	817/509-1505	817/797-2804
Field Foreman George Benham	505/745-2329	505/392-0015

- B. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Range Operating New Mexico, Inc., 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 the 18 U.S.C. 1001 for the filing of a false statement.

Date: 8/26/05

  
\_\_\_\_\_  
Andrew Tullis  
District Engineer

## DISTRICT I

1825 N. FRENCH DR., HOBBES, 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 JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name <b>TARANTULA "3" FEDERAL</b>	Well Number <b>2</b>
OGRID No.	Operator Name <b>RANGE OPERATING NEW MEXICO, INC.</b>	Elevation <b>3160'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	3	25-S	37-E		1980	NORTH	550	EAST	LEA

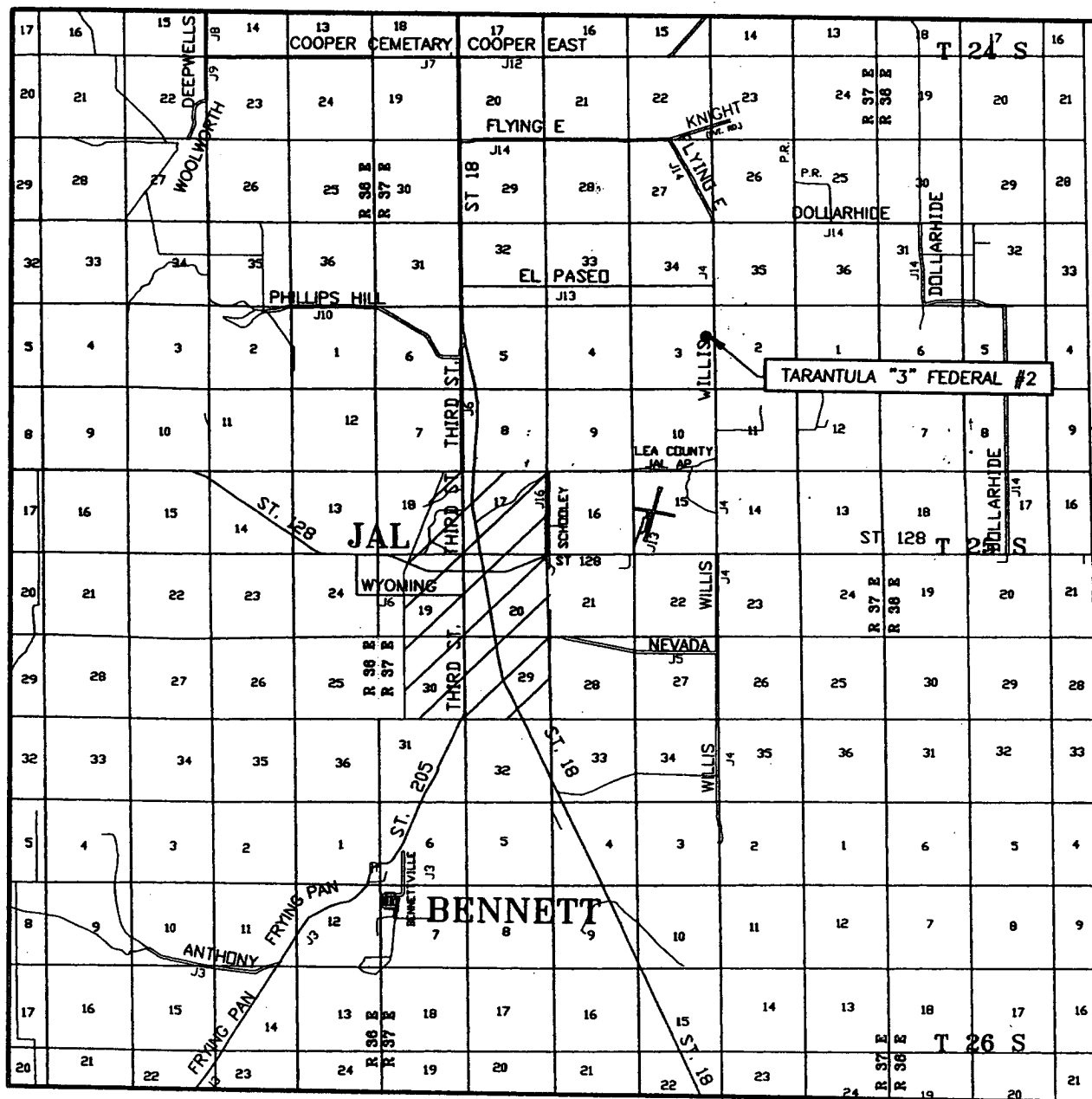
## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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

LOT 4 40.29 AC	LOT 3 40.25 AC	LOT 2 40.23 AC	LOT 1 40.19 AC
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=424340.4 N X=868201.1 E</p> <p>LAT.=32°09'39.72" N LONG.=103°08'36.67" W</p>			<p>1980'</p> <p>3156.2' 3171.1'</p> <p>600' 550'</p> <p>3151.6' 3162.0'</p>
Exhibit A			<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Andrew Tullis</i> Signature Andrew Tullis Printed Name District Eng. Title 8-26-05 Date</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>JULY 5, 2005</p> <p>Date Surveyed Signature &amp; Seal Professional Surveyor GARY E. EDSON NEW MEXICO 7/11/05 05.11.1056 Certified to No. GARY E. EDSON 12841</p>

# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 3 TWP. 25-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

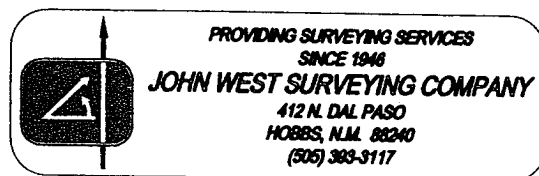
DESCRIPTION 1980' FNL & 550' FEL

ELEVATION 3160'

OPERATOR RANGE OPERATING  
NEW MEXICO, INC.

LEASE TARANTULA "3" FEDERAL

Exhibit B



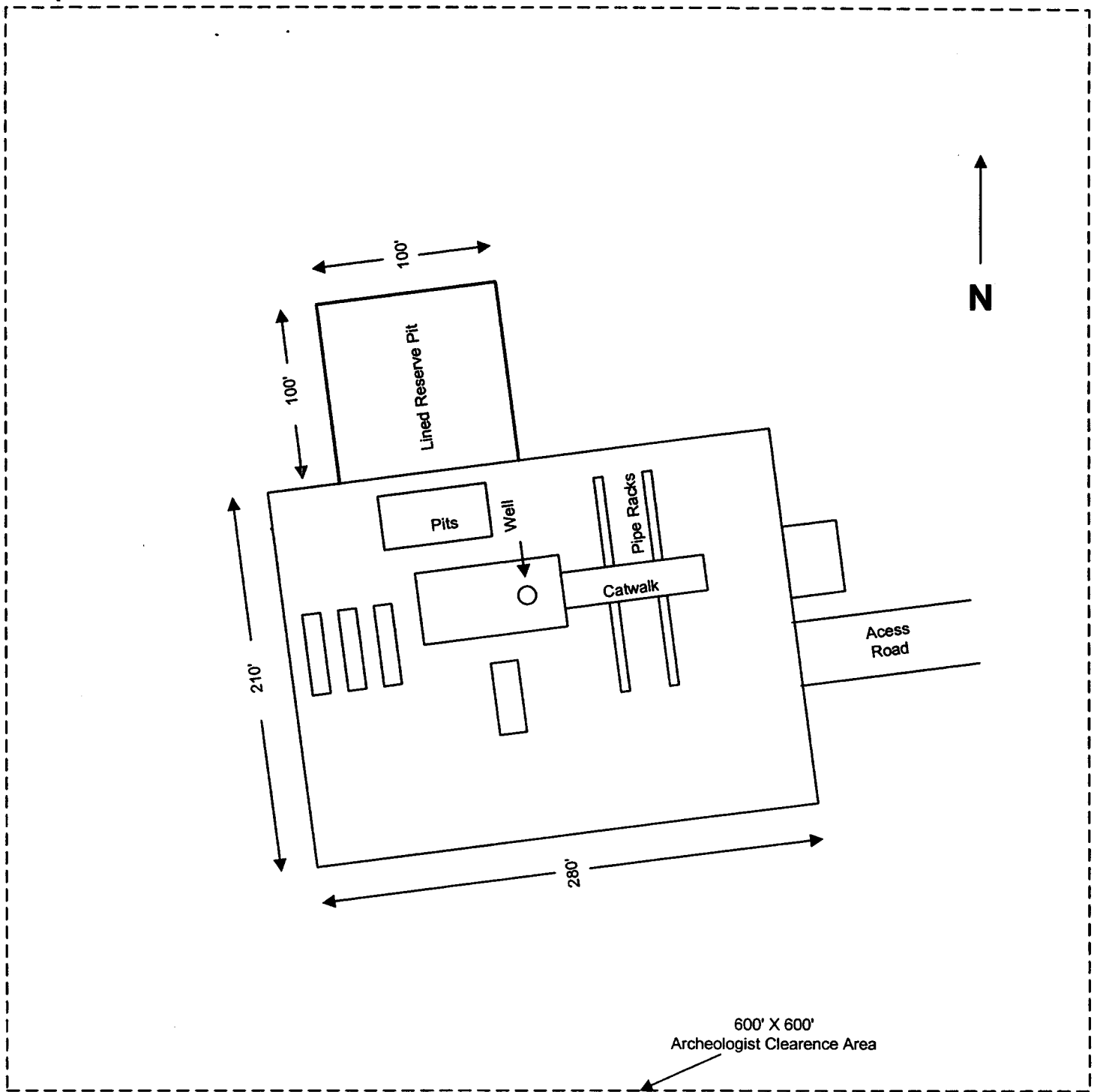


Exhibit C  
Rig and Location Layout



1/03

1. BLM Report No.		2. Reviewer's Initials/Date _____ ACCEPTED ( ) REJECTED ( )		3. NMCRIS No.: 93817	
4. Type of Report:                      Negative (X)                      Positive ( )					
5. Title of Report: Class III archaeological survey of a pad and access road for the Tarantula "3" Fed. well No. 2. Author(s): Ann Boone				6. Fieldwork Date: 18 July 2005	
				7. Report Date: 20 July 2005	
8. Consultant Name & Address: Boone Archaeological Services 2030 North Canal Carlsbad, NM 88220  Direct Charge: Danny Boone Field Personnel Name: Danny Boone Phone: (505) 885-1352				9. Cultural Resource Permit No.  BLM: 190-2920-05-G STATE: NM-05-157	
				10. Consultant Report No.  BAS 07-05-30	
11. Customer Name: Range Operating NM Responsible Individual: Gary Benham Address: P.O. Box 300 Loving, New Mexico 88256 Phone: (505) 441-0178				12. Customer Project No.:	
13. Land Status	BLM	STATE	PRIVATE	OTHER	TOTAL
a. Area Surveyed (acres)	0	0	9.18 (+/-) Fed. Min.	0	9.18 (-/+)
b. Area of Effect (acres)	0	0	5.17 (-/+)	0	5.17 (+/-)
14. Linear: Length: 1,240' Total (400' Survey) See 16 b.                      Width: 100' Block: 600' x 600'					
15. Location: (Maps Attached if Negative Survey)					
a. State: New Mexico					
b. County: Lea					
c. BLM Field Office: Carlsbad					
d. Nearest City or Town: Jal, NM					
e. Legal Location: T 25S, R 37E, Section 3, (Pad) SE¼ NE¼. , (Access road) SE¼ NE¼ , NE¼ NE¼.					
f. Well Pad Footages: 1980' FNL, 550' FEL					
g. USGS 7.5 Map Name(s) and Code Number(s): JAL NW, NM (1969, Photo Rev. 1979) 32103-B2					

16. Project Data:

a. Records Search: Date of BLM File Review: 18 July 2005 Name of Reviewer: Danny Boone

Date of ARMS Data Review: 18 July 2005 Name of Reviewer: Ann Boone

Findings: LA 98596 is within 1.0 mile.

b. Description of Undertaking: The proposed access road begins near the southwest edge of the pad for the Tarantula "3" well No. 1 pad survey area at the proposed road for the Tarantula well No. 1 and trends south crossing one buried pipeline to the northeast portion of the No 2 pad survey area. The west to east portion is the same as the road for the Tarantula well No. 1. The pad survey area has been impacted by at least four buried pipelines and one two track road. Survey acres were estimated on a 600 feet by 600 feet pad plus 400 feet in length by 100 feet in width for the access road, remainder is within the pad surveys. Impact acres are unknown but were estimated on a 400 feet by 400 feet pad plus 650 feet in length by 50 feet in width of access road. Plats for the project are attached to this report.

c. Environmental Setting:

Topography: West sloping, on the east side of an unnamed ephemeral drainage.

Vegetation: Overall groundcover is approximately 35% consisting primarily of mesquite, broom snakeweed, prickly pear cactus, various grasses and other flora.

NRCS: Simona-Tonuco association: Nearly level and gently undulating, loamy and sandy soils that are shallow to indurated caliche.

d. Field Methods:

Transects: A parallel grid spaced 15 meters or less apart for the pad and one spaced up to 15 meters on each side of staked centerline for the access road.

Crew Size: One

Time in Field: 2.5 hours.

e. Artifacts Collected: None

17. Cultural Resource Findings:

a. Identification and description: None

b. Evaluation of significance of Each Resource:

18. Management Summary (Recommendations):

Archaeological clearance of a pad and access road for the Tarantula "3" Fed. well No. 2 for Range Operating New Mexico, Inc. as presently staked is recommended. If cultural resources are encountered at any time all activity should cease and the BLM archaeologist notified immediately.

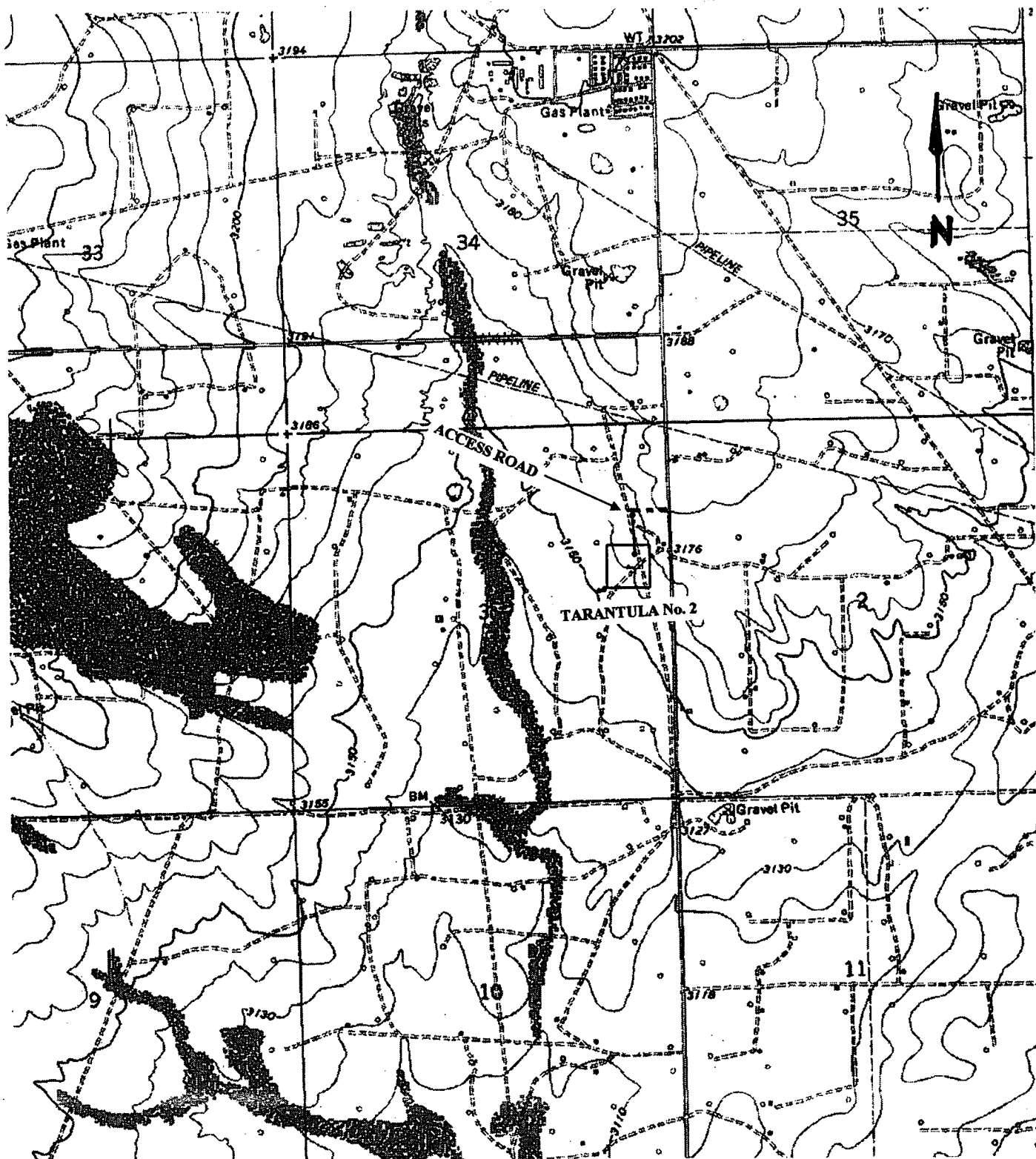
19.

I certify that the information provided above is correct and accurate and meets all appreciable BLM standards.

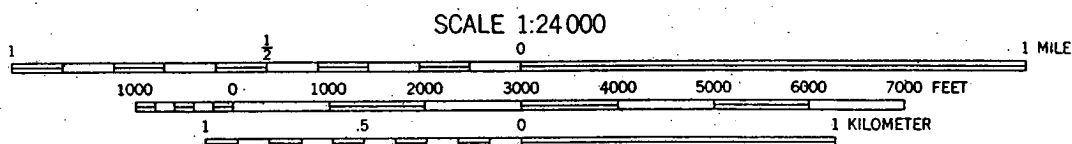
Responsible Archaeologist

Danny Boone  
Signature

20 July 2005  
Date



Location Map of a pad and access road for the Tarantula "3" Fed. well No. 2 for Range Operating New Mexico, Inc. in Section 3, T25S, R37E, NMPM, LEA County, NM.  
Map Reference: USGS 7.5' Series; JAL NW, NM (1969, Photo Rev. 1979) 32103-B2



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

ROSWELL FIELD OFFICE  
2909 West Second Street  
Roswell, New Mexico 88201

Statement Accepting Responsibility for Operations

Operator Name: Range Operating New Mexico, Inc.  
Street or Box: 777 Main Street Suite 800  
City, State: Fort Worth TX  
Zip Code: 76102

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

Lease No.: LC032592A  
Legal Description of land: Southeast of Northeast quarter of  
Sec. 3, T25S, R37E  
Formations: Blinbry, Tubb, Drinkard  
Bond Coverage: (State, Nationwide or Individual) Statewide  
BLM Bond File No.: NM 2399

Authorized Signature: \_\_\_\_\_

  
D. K. Robinson

Title: Drilling Manager

Date: 10-05-2005

## DISTRICT I

1825 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 JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-37516</b>	Pool Code <b>35280</b>	Pool Name <b>Justis; Tubb-Drinkard (35280)</b>
Property Code <b>35081</b>	Property Name <b>TARANTULA "3" FEDERAL</b>	Well Number <b>2</b>
OGRID No. <b>227588</b>	Operator Name <b>RANGE OPERATING NEW MEXICO, INC.</b>	Elevation <b>3160'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	3	25-S	37-E		1980	NORTH	550	EAST	LEA

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.						

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

LOT 4 40.29 AC	LOT 3 40.25 AC	LOT 2 40.23 AC	LOT 1 40.19 AC
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=424340.4 N X=868201.1 E</p> <p>LAT.=32°09'39.72" N LONG.=103°08'36.67" W</p>			

**OPERATOR CERTIFICATION**

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

*D. K. Robinson*  
Signature  
D. K. Robinson  
Printed Name  
Drilling Manager  
Title  
10-05-2005  
Date

**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.

JULY 5, 2005

Date Surveyed  
Signature & Seal of Professional Surveyor  
GARY EIDSON  
Professional Surveyor  
NEW MEXICO  
05.11.1056  
Certificate No. GARY EIDSON  
12841

SPECIAL DRILLING STIPULATIONS

THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN

Operator's Name Range Operating New Mexico Inc. Well Name & No. Tarantula 3 Federal #2  
Location 1980 F N L & 550 F E L Sec. 3, T. 25 S, R. 37 E.  
Lease No. LC-032592-A County Lea State New Mexico

The Special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the General Requirements. The permittee should be familiar with the General Requirements, a copy of which is available from a Bureau of Land Management office. EACH PERMITTEE HAS THE RIGHT OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CRF 3165.3 AND 3165.4.

This permit is valid for a period of one year from the date of approval or until lease expiration or termination whichever is shorter.

I. SPECIAL ENVIRONMENT REQUIREMENTS

- ( ) Lesser Prairie Chicken (stips attached) ( ) Flood plain (stips attached)  
( ) San Simon Swale (stips attached) ( ) Other

II. ON LEASE - SURFACE REQUIREMENTS PRIOR TO DRILLING

( X ) The BLM will monitor construction of this drill site. Notify the ( X ) Carlsbad Field Office at (505) 234-5972 ( ) Hobbs Office (505) 393-3612, at least 3 working days prior to commencing construction.

( X ) Roads and the drill pad for this well must be surfaced with 6 inches of compacted caliche upon completion of well and it is determined to be a producer.

( ) All topsoil and vegetation encountered during the construction of the drill site area will be stockpiled and made available for resurfacing of the disturbed area after completion of the drilling operation. Topsoil on the subject location is approximately \_\_\_\_\_ inches in depth. Approximately \_\_\_\_\_ cubic yards of topsoil material will be stockpiled for reclamation.

( ) Other.

III. WELL COMPLETION REQUIREMENTS

( ) A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the BLM. The effective date of the agreement must be prior to any sales.

( x ) Surface Restoration: If the well is a producer, the reserve pit(s) will be backfilled when dry, and cut-and-fill slopes will be reduced to a slope of 3:1 or less. All areas of the pad not necessary for production must be re-contoured to resemble the original contours of the surrounding terrain, and topsoil must be re-distributed and re-seeded with a drill equipped with a depth indicator (set at depth of 1/2 inch) with the following seed mixture, in pounds of Pure Live Seed (PLS), per acre.

( X ) A. Seed Mixture 1 (Loamy Sites)  
Side Oats Grama (*Bouteloua curtipendula*) 5.0  
Sand Dropseed (*Sporobolus cryptandrus*) 1.0

( ) B. Seed Mixture 2 (Sandy Sites)  
Sand Dropseed (*Sporobolus cryptandrus*) 1.0  
Sand Lovegrass (*Eragrostis trichodes*) 1.0  
Plains Bristlegrass (*Setaria magrostachya*) 2.0

( ) C. Seed Mixture 3 (Shallow Sites)  
Side oats Grama (*Boute curtipendula*) 1.0

( ) D. Seed Mixture 4 (Gypsum Sites)  
Alkali Sacaton (*Sporobollud airoides*) 1.0  
Four-Wing Saltbush (*Atriplex canescens*) 5.0

( ) OTHER SEE ATTACHED SEED MIXTURE

Seeding should be done either late in the fall (September 15 - November 15, before freeze up, or early as possible the following spring to take advantage of available ground moisture.

( ) Other.

## RESERVE PIT CONSTRUCTION STANDARDS

The reserve pit shall be constructed entirely in cut material and lined with 6 mil plastic. Mineral material extracted from within the boundary of the APD during construction of the well pad and reserve pits and be used for the construction of this well pad and its immediate access road only, as long as that portion of the access road it is use on remains on-lease. Removal of any additional material from this location for construction or improvement of other well pads and other access or lease roads must first be purchased from BLM.

Reclamation: Reclamation of this type of deep pit will consist of pushing the pit walls into the pit when sufficiently dry to support track equipment. The pit liner is NOT TO BE RUPTURED to facilitate drying; a ten month period after completion of the well is allowed for drying of the pit contents.

The pit area must be contoured to the natural terrain with all contaminated drilling mud buried with at least 3 feet of clean soil. The reclaimed area will then be seeded as specified in this permit.

## OPTIONAL PIT CONSTRUCTION STANDARDS

The reserve pit may be constructed in predominantly fill material if:

- (1) Lined as specified above and
- (2) A temporary or emergency pit may be constructed immediately adjacent to the reserve pit as long as the pit remains within the APD boundary. Mineral material removed from this pit may be used for the construction of this well pad only and its immediate access road, as long as that portion of the access road the material is used on remains on-lease. Removal of any material from the APD boundary for use on other well locations or roads must first be purchased from BLM.

Reclamation of the reserve pit consists of bulldozing all reserve pit contents and contaminants into the borrow pit and covering with a minimum of 3 feet of clean soil material. The entire area must be recontoured, all trash removed, and reseeded as specified in this permit.

## CULTURAL

Whether or not an archaeological survey has been completed and notwithstanding that operations are being conducted as approved, the lessee/operator/grantee shall notify the BLM immediately if previously unidentified cultural resources are observed during surface disturbing operations. From the time of the observation, the lessee/operator/grantee shall avoid operations that will result in disturbance to these cultural resources until directed to processed by BLM.

## TRASH PIT STIPS

All trash, junk, and other waste material shall 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 permitted.

## CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Range Operating New Mexico Incorporated  
Well Name & No: Trantula '3' Federal No. 02  
Location: Surface: 1980' FNL & 550' FEL, Sec.03, T. 25 S. R. 37 E.  
Lease: NMLc 032592-A  
Lea County, New Mexico

.....

### I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at the Roswell Field Office, 2909 West Second St., Roswell, NM 88201, (505) 627-0272 for wells in Chaves and Roosevelt Counties; the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 for wells in Eddy County; and the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612 for wells in Lea County, in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: 8 5/8 inch; 5 1/2 inch;

C. BOP Tests

2. A Hydrogen Sulfide (H<sub>2</sub>S) Drilling Plan is shall be in operations 500 feet or three days prior to drilling into the top of the Yates or 7 Rivers formation.

3. 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.

4. Submit a Sundry Notice (Form 3160-5, one original and five copies) for each casing string, describing the casing and cementing operations. Include pertinent information such as; spud date, hole size, casing (size, weight, grade and thread type), cement (type, quantity and top), water zones and problems or hazards encountered. The Sundry shall be submitted within 15 days of completion of each casing string. The reports may be combined into the same Sundry if they fall within the same 15 day time frame.

5. The API No. assigned to the well by NMOCD shall be included on the subsequent report of setting the first casing string.

### II. CASING:

1. The 8 5/8 inch shall be set at 1100 5 1/2 Feet with cement circulated to the surface. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. The minimum required fill of cement behind the 8 5/8 inch Intermediate casing is to circulate to surface.

### III. PRESSURE CONTROL:

1. All BOP systems and related equipment shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2. The BOP and related equipment shall be installed and operational before drilling below the 8 5/8 inch casing shoe and shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 2 M psi.



### III. Pressure Control (continued):

3. The appropriate BLM office shall be notified in sufficient time for a representative to witness the test.

- The test shall be done by an independent service company
- The results of the test shall be reported to the appropriate BLM office.
- Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures.
- Use of drilling mud for testing is not permitted since it can mask small leaks.
- Testing must be done in safe workman-like manner. Hard line connections shall be required.
- Both low pressure and high pressure testing of BOPE is required.

BLM Serial Number: LC-032592-A  
Company Reference: Range Operating New Mexico  
Well No. & Name: Tarantula 3 Federal #2

STANDARD STIPULATIONS FOR PERMANENT RESOURCE ROADS  
CARLSBAD FIELD OFFICE

A copy of the grant and attachments, including stipulations and map, will be on location during construction. BLM personnel may request to view a copy of your permit during construction to ensure compliance with all stipulations.

The holder/grantee/permittee shall hereafter be identified as the holder in these stipulations. The Authorized Officer is the person who approves the Application for Permit to Drill (APD) and/or Right-of-Way (ROW).

GENERAL REQUIREMENTS

A. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

B. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, *et. seq.*) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.

C. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, *et. seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et. seq.*) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

D. If, during any phase of the construction, operation, maintenance, or termination of the road, any oil or other pollutant should be discharged, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting there from, the Authorized Officer may take such measures as deemed necessary to control and cleanup the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any liability or responsibility.

E. The holder shall minimize disturbance to existing fences and other improvements on public domain surface. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times.

The holder will make a documented good-faith effort to contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence.

F. The Holder shall ensure that the entire right-of-way, including the driving surface, ditching and drainage control structures, road verges and any construction sites or zones, will be kept free of the following plant species: Malta starthistle, African rue, Scotch thistle and salt cedar.

Holder agrees to comply with the following stipulations:

1. ROAD WIDTH AND GRADE

The road will have a driving surface of 14 feet (all roads shall have a minimum driving surface of 12 feet, unless local conditions dictate a different width). The maximum grade is 10 percent unless the box below is checked. Maximum width of surface disturbance from construction will be 30 feet.

☐ Those segments of road where grade is in excess of 10% for more than 300 feet shall be designed by a professional engineer.

2. CROWNING AND DITCHING

Crowning with materials on site and ditching on one side of the road on the uphill side will be required. The road cross-section will conform to the cross section diagrams in Figure 1. If conditions dictate, ditching may be required for both sides of the road; if local conditions permit, a flat-bladed road may be considered (if these conditions exist, check the appropriate box below). The crown shall have a grade of approximately 2% (i.e., 1" crown on a 12' wide road).

☒ Ditching will be required on both sides of the roadway as shown on the attached map or as staked in the field.

☐ Flat-blading is authorized on segment(s) delineated on the attached map.

### 3. DRAINAGE

Drainage control shall be ensured over the entire road through the use of borrow ditches, outsloping, insloping, natural rolling topography, lead-off (turnout) ditches, culverts, and/or drainage dips.

A. All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval for lead-off ditches shall be determined according to the following table, but may be amended depending upon existing soil types and centerline road slope (in %):

#### SPACING INTERVAL FOR TURNOUT DITCHES

Percent slope	Spacing interval
0% - 4%	400' - 150'
4% - 6%	250' - 125'
6% - 8%	200' - 100'
8% - 10%	150' - 75'

A typical lead-off ditch has a minimum depth of 1 foot below and a berm 6 inches above natural ground level. The berm will be on the down-slope side of the lead-off ditch. The ditch end will tie into vegetation whenever possible.

For this road the spacing interval for lead-off ditches shall be at

☒ 400 foot intervals.

☐ \_\_\_\_\_ foot intervals.

☐ locations staked in the field as per spacing intervals above.

☐ locations delineated on the attached map.

B. Culvert pipes shall be used for cross drains where drainage dips or low water crossings are not feasible. The minimum culvert diameter must be 18 inches. Any culvert pipe installed shall be of sufficient diameter to pass the anticipated flow of water. Culvert location and required diameter are shown on the attached map (Further details can be obtained from the Roswell District Office or the appropriate Resource Area Office).

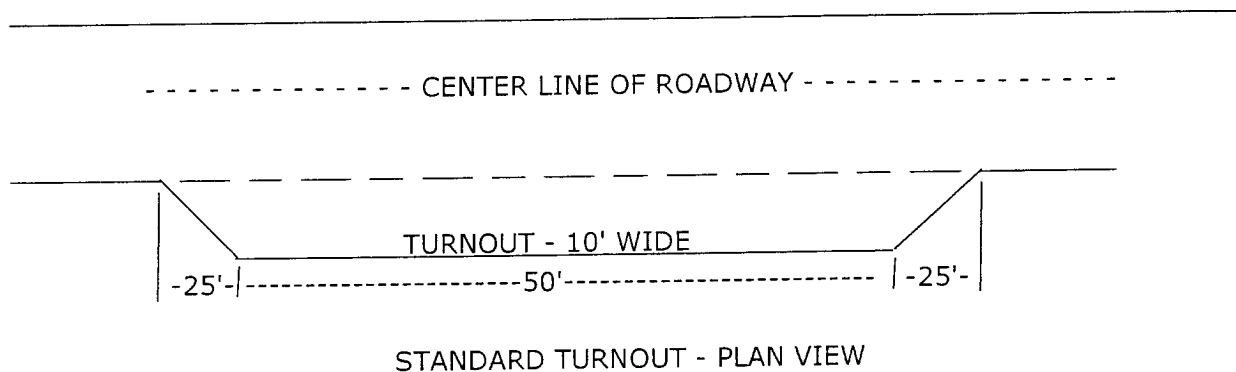
C. On road slopes exceeding 2%, drainage dips shall drain water into an adjacent lead-off ditch. Drainage dip location and spacing shall be determined by the formula:

$$\text{spacing interval} = \frac{400'}{\text{road slope in \%}} + 100'$$

Example: 4% slope: spacing interval =  $\frac{400}{4} + 100 = 200$  feet

#### 4. TURNOUTS

Unless otherwise approved by the Authorized Officer, vehicle turnouts will be required. Turnouts will be located at 2000-foot intervals, or the turnouts will be intervisible, whichever is less. Turnouts will conform to the following diagram:



#### 5. SURFACING

Surfacing of the road or those portions identified on the attached map may, at the direction of the Authorized Officer, be required, if necessary, to maintain traffic within the right-of-way with caliche, gravel, or other surfacing material which shall be approved by the Authorized Officer. When surfacing is required, surfacing materials will be compacted to a minimum thickness of six inches with caliche material. The width of surfacing shall be no less than the driving surface. Prior to using any mineral materials from an existing or proposed Federal source, authorization must be obtained from the Authorized Officer.

A sales contract for the removal of mineral materials (caliche, sand, gravel, fill dirt, etc.) from an authorized pit, site, or on location must be obtained from the BLM prior to using any such mineral material from public lands. Contact the BLM solid minerals staff for the various options to purchase mineral material.

#### 6. CATTLEGUARDS

Where used, all cattleguard grids and foundation designs and construction shall meet the American Association of State Highway and Transportation Officials (AASHTO) Load Rating H-20, although AASHTO U-80 rated grids shall be required where heavy loads (exceeding H-20 loading), are anticipated (See BLM standard drawings for cattleguards). Cattleguard grid length shall not be less than 8 feet and width of not less than 14 feet. A wire gate (16-foot minimum width) will be provided on one side of the cattleguard unless requested otherwise by the surface user.

7. MAINTENANCE

The holder shall maintain the road in a safe, usable condition. A maintenance program shall include, but not be limited to blading, ditching, culvert installation, culvert cleaning, drainage installation, cattleguard maintenance, and surfacing.

8. PUBLIC ACCESS

Public access along this road will not be restricted by the holder without specific written approval being granted by the Authorized Officer. Gates or cattleguards on public lands will not be locked or closed to public use unless closure is specifically determined to be necessary and is authorized in writing by the Authorized Officer.

9. CULTURAL RESOURCES

Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the authorized officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the authorized officer after consulting with the holder.

10. SPECIAL STIPULATIONS:

BLM Serial Number: LC-032592-A  
Company Reference: Range Operating New Mexico Inc.  
Well No. & Name: Tarantula 3 Federal #2

## STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:
  - a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
  - b. Activities of other parties including, but not limited to:
    - (1) Land clearing.
    - (2) Earth-disturbing and earth-moving work.

- (3) Blasting.
- (4) Vandalism and sabotage.

c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-way width of 10 feet.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky or dune areas, the pipeline will be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of 36 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.



11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. Special Stipulations:

(March 1989)

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

### Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: <u>Range New Mexico, Inc.</u> Telephone: <u>(817) 810-1908</u> e-mail address: <u>jstiles@rangersresources.com</u>				
Address: <u>777 Main Street Suite 800 Fort Worth TX 76102</u>				
Facility or well name: <u>Trantula 3 Federal 2</u>	API #: <u>30-025-37516</u>	U/L or Qtr/Qtr <u>1</u> Sec <u>3</u> T <u>25S</u> R <u>37E</u>		
County: <u>Lea</u>	Latitude <u>32°09'39.72" N</u>	Longitude <u>103°08'36.67" W</u> NAD: 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>				
<table border="1"> <tr> <td> <b>Pit</b>  Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/>  Workover <input type="checkbox"/> Emergency <input type="checkbox"/>  Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/>  Liner type: Synthetic <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/>  Pit Volume <u>14,000</u> bbl </td> <td> <b>Below-grade tank</b>  Volume: _____ bbl Type of fluid: _____  Construction material: _____  Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____ </td> </tr> </table>			<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>14,000</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>14,000</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____			
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet <input checked="" type="checkbox"/> 100 feet or more	(20 points) (10 points) <input checked="" type="checkbox"/> ( 0 points)		
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No <input checked="" type="checkbox"/>	(20 points) ( 0 points) <input checked="" type="checkbox"/>		
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more <input checked="" type="checkbox"/>	(20 points) (10 points) ( 0 points) <input checked="" type="checkbox"/>		
Ranking Score (Total Points)				

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

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

Date: 10-14-2005

Printed Name/Title Linda C. Stiles

Sr. Engineering Tech Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title

OCT 14 2005

Signature [Signature]

Date:

OCT 14 2005

PETROLEUM ENGINEER