U. S. CEOLOGICAL SURVEY
P. O. Box 1157
Hobbs, New Mexico 88240

HOBBS DISTRICT

Champ.in Petroleum Co.` No. 1 Phillips "8" Fed. NCLANW4 sec. 8-8S-32E Chaves County, N. M.

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

- 1. Drilling operations authorized are subject to the attached sheet for general requirements for drilling and producing operations.
- 2. Notify this office (telephone (505) 393-3612) when the well is spudded and in sufficient time for a representative to witness cementing operations.
- 3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
- 4. Secure prior approval before changing the approved drilling program or commencing plugging operations, plug-back work, casing repair work, or corrective cementing operations.
- 5. Blowout prevention equipment is to be installed, tested, and in working order before drilling below the surface casing and shall be maintained ready for use until drilling operations are completed.
- 6. A kill-line is to be properly installed and is not to be used as a fill-up line.
- 7. Blowout preventers are to have proper casing rams when running casing.
- 8. Drill string safety valve(s) to fit all pipe in the drill string to be maintained on the rig floor while drilling operations are in progress.
- 9. Blowout prevention drills are to be conducted as necessary to assure that equipment is operational and that each crew is properly trained to carry out emergency duties. All BOP tests and drills are to be recorded on the driller's log.
- 10. Operations must be in compliance with the provisions of the landowner agreement concerning surface disturbance and surface restoration.
- 11. If, during operations, the operator or any person working in his behalf, discover any historic or prehistoric ruin, monument or site, or any object of antiquity subject to the Antiquities Act of June 8, 1906, (34 Stat. 225, 16 U.S.C. Secs. 431-433), and 43 CFR Part 3, then work will be suspended and the discovery promptly reported to the District Manager. The Bureau will then take such action as required under the Act and regulations thereunder. When directed by the District Manager, the operator will obtain, at his expense, a qualified archaeologist to examine and, if necessary, excavate or gather such ruins or objects.

OR CONTRACT M. COMM.