

U. S. Geological Survey

HOBBS DISTRICT

Petroleum Development Corporation
No. 1 Sun-McKay Federal
SE $\frac{1}{4}$ NW $\frac{1}{4}$
Lea County, New Mexico

Above Data Required on Well Sign

CONDITIONS OF APPROVAL

1. Drilling operations authorized are subject to compliance with the attached General Requirements for Drilling Operations on Federal Oil and Gas Leases, dated January 1, 1977.
2. Notify this office (telephone (505) 393-3612) when the well is to be spudded and in sufficient time for a representative to witness all cementing operations. Attached are names and telephone numbers of Geological Survey and Bureau of Land Management personnel who are available for consultation during construction, drilling, completion, and rehabilitation activities.
3. Immediate notice is required of all blowouts, fires, spills, and accidents involving life-threatening injuries or loss of life.
4. Secure prior approval of the District Engineer for variance from the approved drilling program and before commencing plugging operations, plug-back work, casing repair work, corrective cementing operations, or suspending drilling operations indefinitely.
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. Each existing fence to be crossed by the permittee will be braced and tied off before cutting so as to prevent slacking of the wire. The opening will be protected as necessary during construction to prevent the escape of livestock and upon completion of construction, the fence will be repaired to BLM specifications (attached). A cattleguard with an adjacent 12 foot gate will be installed in any fence where a road is to be regularly traveled.
7. For the protection of livestock and wildlife all pits containing toxic liquids will be fenced and covered with a fine mesh netting (i.e., Hardware Cloth) with openings being 1/2 inch or less.
8. In the event the oil or gas test results in a dry hole, the drill pad and access road will be ripped in accordance with "BLM Roswell Districts' Ripping Recommendations for Caliche or Compacted Drill Pads and Access Roads". (Reseeding of the affected areas may be required at the discretion of the BLM authorized officer).
9. All above ground structures, not subject to applicable conservation and safety requirements, shall be painted to blend with the natural surroundings. The paint used should be a nonglare, nonreflective, nonchalking color that simulates Fed. Stand. No. 595, color 30318.

RECEIVED

11-2-1977

OIL CONT.

WILSON & W.