

U. S. Geological Survey

HOBBS DISTRICT

Petroleum Development Corp.
No. 2 Sun McKay Federal
SW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 10-19S-32E
Lea County, N. M.

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. Operator will provide the dirt contractor with a copy of the enclosed Bureau of Land Management "Standard Requirements for all Drilling in Relation to Oil and Gas Activities in the Roswell District" prior to commencing construction of road, pad, or other associated developments.
7. A Gamma Ray-Sonic log is to be run from base of salt section to the surface at a speed not to exceed 30 feet per minute.
8. 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.
9. Existing fence through location will be braced and tied off at both ends before cutting so as to prevent slacking of the wire, then a temporary fence will be constructed around the east edge of the pad so as to prevent cattle movement. In the event that the well is a producer, this fence will be made of a permanent nature. When the site is abandoned the fence will be returned to its original position. Use alternate road as stated by BLM and Mr. Charles Sanders.