

☒ H. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling into the Wolfcamp formation and used until production casing is run and cemented. Monitoring equipment shall consist of the following:

☒ 1. A recording pit level indicator to determine pit volume gains and losses.

☒ 2. A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips.

☒ 3. A flow sensor on the flow-line to warn of any abnormal mud returns from the well.

☒ I. A kelly cock will be installed and maintained in operable condition.

☐ J. A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the Bureau of Land Management, P. O. Box 1379, Roswell, New Mexico 88201. The effective date of the agreement must be prior to any sales.

☒ K. Above ground structures, not subject to applicable safety requirements shall be painted. The paint color is to simulate:

☒ Sandstone Brown, Fed. Std. 595-20318 or 30318
☒ Sagebrush Gray, Fed. Std. 595-26357 or 36357

☐ L. A Gamma Ray-Compensated Neutron log is required from the base of the salt section to the surface with cable speed not to exceed 30 feet per minute.

☒ M. Rehabilitation

☒ At least 3 working days prior to commencing any of the following rehabilitation activities, the operator shall notify the appropriate surface managing agency, shown in part 5.

☒ 1. Upon the conclusion of drilling and completion operations when mud pits are dry they will be leveled, plastic will be removed and area reseeded with mixture No. 2 shown on last page of General Requirements.

☒ 2. Following the down-hole plugging and abandonment of all operation:

☒ a. The drill pad and 150 feet of access road shall be ripped to a minimum of 12" in depth. Ripping shall be on the contour with rips being approximately 3 feet or less apart.

☒ b. The drill site and 150 feet of access road will be reseeded with mixture No. 2 shown on the last page of the General Requirements.

☒ c. All ripped surfaces are to be protected from vehicular travel by constructing a dead-end ditch and earthen barricade at the entrance to these ripped areas. The barricade is to be constructed using spoil materials from the ditch and should be of sufficient magnitude to discourage vehicle entry.

☐ d. Private Surface: Abandonment stipulations to coincide with operator-landowner agreement. (Where no agreement exists, BLM will be requested to provide abandonment stipulations.)

☒ e. The surface location is to be cleaned and leveled.

☒ 3. Modifications in the rehabilitation stipulations made necessary by unforeseen circumstances or improvements in rehabilitation methods may be made when the Notice of Intention to Abandon is filed.

☐ N. Other: