

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

HOBBS DISTRICT

Union Oil Co. of California
No. 3 Pipeline Deep Unit Federal
SW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 7-19S-34E
Lea 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. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling below 12,500 feet and used until production casing is run and cemented. Monitoring equipment should consist of the following:
 - (1) A recording pit level indicator to determine pit volume gains & 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.