

APPENDIX

**Surface-Use Conditions of Approval
(Exhibit B. Stipulations for Site Right-of-Way COC77409)**

Downhole (Drilling) Conditions of Approval

SURFACE-USE CONDITIONS OF APPROVAL

Exhibit B. Stipulations Site Right-of-Way COC77409

WPX SG 31-32 WATER DISPOSAL WELL PROJECT DOI-BLM-CO-N040-2015-0083-EA

COAs (ROW Stipulations) Specific to ROW COC77409

1. This ROW grant is independent of Environmental Protection Agency (EPA) and Colorado Oil and Gas Conservation Commission (COGCC) approvals. If the holder (WPX) identifies a conflict between this approval and the necessary approvals granted by the EPA and/or COGCC, the holder will immediately notify this office and propose corrective actions to remedy the conflict.
2. This ROW is granted only for the disposal of produced water into the pore space of Federal minerals through the WPX SG 924-29D disposal well and is completely dependent upon the approval and authorization of the drilling of the WPX SG 924-29D disposal well by the COGCC and BLM.
3. Cost Per Barrel Fee. The initial cost per barrel fee shall be (\$0.15) of produced water injected into the Federal pore space of the WPX SG 924-29D well. Prior approval shall be obtained from the BLM for the procedures and equipment proposed to be used for measurement of produced water injected into the WPX SG 924-29D well before such injection begins. The BLM may modify the proposal and condition the approval.
4. Exclusive Use. This ROW is granted to WPX for the exclusive use of the pore space within Federal minerals (through the COGCC- and BLM-approved WPX SG 924-29D saltwater disposal well) and shall involve the disposal of produced water originating only from those wells operated by the holder, as recognized by the BLM or COGCC.
5. Annual Injection Reports. The holder must provide the Authorized Officer an annual injection volume report by October 15 of each year. The report needs to break down the number of barrels disposed by month with a yearly total. The report can be submitted electronically or in writing to this office. The initial report will be for the period from grant issuance through **September 30, 2016**. Subsequent reports will be for the period **October 1 through September 30** of the following year.
6. Federal Mineral Protections.
 - a. If the BLM determines in the future that the WPX SG 924-29D salt-water disposal well adversely affects Federal minerals, the BLM can rescind the right-of-way and require the well be plugged.
 - b. Within 30 days of completed operations, submit the (1) directional survey, (2) driller's event log/operations, and (3) any open-hole logs to Peter Cowan at picowan@blm.gov.
 - c. As a minimum, cement shall be brought to 200 feet above the Mesaverde. A CBL shall be run to verify the TOC and an electronic copy will be submitted to Peter Cowan at picowan@blm.gov within 48 hours. If the TOC is lower than required or the cement sheath of poor quality, then a CRVFO petroleum engineer shall be notified for remedial operations within 48 hours from running the CBL.

COAs (ROW Stipulations) Generally Applicable to Oil and Gas Development Projects

The surface-use COAs listed herein reflect BMPs and mitigation measures derived from the general COAs applied by the CRVFO to oil and gas development projects. Some of the protections, such as those associated with reclamation and interference with public use, are less stringent than applied to BLM surface or mineral-estate lands. This reflects that the project is located almost entirely on Fee lands owned by the operator.

1. **Administrative Notification.** The operator shall notify the BLM representative at least 48 hours prior to initiation of construction. If requested by the BLM representative, the operator shall schedule a pre-construction meeting, including key operator and contractor personnel, to ensure that any unresolved issues are fully addressed prior to initiation of surface-disturbing activities or placement of production facilities.
2. **Road Construction and Maintenance.** Roads shall be crowned, ditched, surfaced, drained with culverts and/or water dips, and constructed to BLM Gold Book standards. Initial gravel application shall be a minimum of 6 inches. The operator shall provide timely year-round road maintenance and cleanup on the access roads. A regular schedule for maintenance shall include, but not be limited to, blading, ditch and culvert cleaning, road surface replacement, and dust abatement. When rutting within the traveled way becomes greater than 6 inches, blading and/or gravelling shall be conducted as approved by the BLM.
3. **Dust Abatement.** The operator shall implement dust abatement measures as needed to prevent fugitive dust from vehicular traffic, equipment operations, or wind events. The BLM may direct the operator to change the level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) if dust abatement measures are observed to be insufficient to prevent fugitive dust.
4. **Drainage Crossings and Culverts.** Construction activities at intermittent and ephemeral drainage crossings (e.g., burying pipelines, installing culverts) shall be timed to avoid high flow conditions. Construction that disturbs any flowing stream shall utilize either a piped stream diversion or a cofferdam and pump to divert flow around the disturbed area.

Culverts at drainage crossings shall be designed and installed to pass a 25-year or greater storm event. On perennial and intermittent streams, culverts shall be designed to allow for passage of aquatic biota. The minimum culvert diameter in any installation for a drainage crossing or road drainage shall be 24 inches. Crossings of drainages deemed to be jurisdictional waters of the U.S. pursuant to Section 404 of the Clean Water Act may require additional culvert design capacity. Due to the flashy nature of area drainages and anticipated culvert maintenance, the U.S. Army Corps of Engineers (USACE) recommends designing drainage crossings for the 100-year event. Contact the USACE Colorado West Regulatory Branch at 970-243-1199 ext. 12.

Pipelines installed beneath stream crossings shall be buried at a minimum depth of 4 feet below the channel substrate to avoid exposure by channel scour and degradation. Following burial, the channel grade and substrate composition shall be returned to pre-construction conditions.

5. **Jurisdictional Waters of the U.S.** The operator shall obtain appropriate permits from the U.S. Army Corps of Engineers (USACE) prior to discharging fill material into Waters of the U.S. in accordance with Section 404 of the Clean Water Act. Waters of the U.S. are defined in 33 CFR Section 328.3 and may include wetlands as well as intermittent and ephemeral streams. Permanent impacts to

jurisdictional waters may require mitigation. Contact the USACE Colorado West Regulatory Branch at 970-243-1199 ext. 12.

6. **Reclamation.** The goals, objectives, timelines, measures, and monitoring methods for final reclamation of oil and gas disturbances are described in Appendix I (Surface Reclamation) of the 1998 Draft Supplemental EIS (DSEIS). Specific measures to follow during interim reclamation are described below.
 - a. **Reclamation Plans.** In areas that have low reclamation potential or are especially challenging to restore, reclamation plans will be required prior to APD approval. The plan shall contain the following components: detailed reclamation plans, which include contours and indicate irregular rather than smooth contours as appropriate for visual and ecological benefit; timeline for drilling completion, interim reclamation earthwork, and seeding; soil test results and/or a soil profile description; amendments to be used; soil treatment techniques such as roughening, pocking, and terracing; erosion control techniques such as hydromulch, blankets/matting, and wattles; and visual mitigations if in a sensitive VRM area.
 - b. **Deadline for Interim Reclamation Earthwork and Seeding.** Interim reclamation to reduce a well pad to the maximum size needed for production, including earthwork and seeding of the interim reclaimed areas, shall be completed within 6 months following completion of the last well planned to be drilled on that pad as part of a continuous operation. If a period of greater than one year is expected to occur between drilling episodes, BLM may require implementation of all or part of the interim reclamation program.

Reclamation, including seeding, of temporarily disturbed areas along roads and pipelines, and of topsoil piles and berms, shall be completed within 30 days following completion of construction. Any such area on which construction is completed prior to December 1 shall be seeded during the remainder of the early winter season instead of during the following spring, unless BLM approves otherwise based on weather. If road or pipeline construction occurs discontinuously (e.g., new segments installed as new pads are built) or continuously but with a total duration greater than 30 days, reclamation, including seeding, shall be phased such that no portion of the temporarily disturbed area remains in an unreclaimed condition for longer than 30 days. BLM may authorize deviation from this requirement based on the season and the amount of work remaining on the entirety of the road or pipeline when the 30-day period has expired.

If requested by the project lead NRS for a specific pad or group of pads, the operator shall contact the NRS by telephone or email approximately 72 hours before reclamation and reseeding begin. This will allow the NRS to schedule a pre-reclamation field visit if needed to ensure that all parties are in agreement and provide time for adjustments to the plan before work is initiated.

The deadlines for seeding described above are subject to extension upon approval of the BLM based on season, timing limitations, or other constraints on a case-by-case basis. If the BLM approves an extension for seeding, the operator may be required to stabilize the reclaimed surfaces using hydromulch, erosion matting, or other method until seeding is implemented.

- c. **Topsoil Stripping, Storage, and Replacement.** All topsoil shall be stripped following removal of vegetation during construction of well pads, pipelines, roads, or other surface facilities. In areas of thin soil, a minimum of the upper 6 inches of surficial material shall be stripped. The BLM may specify a stripping depth during the onsite visit or based on subsequent information regarding soil thickness and suitability. The stripped topsoil shall be stored separately from

subsoil or other excavated material and replaced prior to final seedbed preparation. The BLM best management practice (BMP) for the Windrowing of Topsoil shall be implemented for well pad construction whenever topography allows.

- d. Seedbed Preparation. For cut-and-fill slopes, initial seedbed preparation shall consist of backfilling and recontouring to achieve the configuration specified in the reclamation plan. For compacted areas, initial seedbed preparation shall include ripping to a minimum depth of 18 inches, with a maximum furrow spacing of 2 feet. Where practicable, ripping shall be conducted in two passes at perpendicular directions. Following final contouring, the backfilled or ripped surfaces shall be covered evenly with topsoil.

If directed by the BLM, the operator shall implement measures following seedbed preparation (when broadcast-seeding or hydroseeding is to be used) to create small depressions to enhance capture of moisture and establishment of seeded species. Depressions shall be no deeper than 1 to 2 inches and shall not result in piles or mounds of displaced soil. Excavated depressions shall not be used unless approved by the BLM for the purpose of erosion control on slopes. Where excavated depressions are approved by the BLM, the excavated soil shall be placed only on the downslope side of the depression.

If directed by the BLM, the operator shall conduct soil testing prior to reseeding to identify if and what type of soil amendments may be required to enhance revegetation success. At a minimum, the soil tests shall include texture, pH, organic matter, sodium adsorption ratio (SAR), cation exchange capacity (CEC), alkalinity/salinity, and basic nutrients (nitrogen, phosphorus, potassium [NPK]). Depending on the outcome of the soil testing, the BLM may require the operator to submit a plan for soil amendment. Any requests to use soil amendments not directed by the BLM shall be submitted to the CRVFO for approval.

- e. Seed Mixes. A seed mix consistent with BLM standards in terms of species and seeding rate for the specific habitat type shall be used on all BLM lands affected by the project (see Attachment 1 of the letter provided to operators dated October 24, 2014).

For private surfaces the operator shall use a BLM-approved native seed mix unless specified otherwise by the private landowner.

The seed shall contain no prohibited or restricted noxious weed seeds and shall contain no more than 0.5 percent by weight of other weed seeds. Seed may contain up to 2.0 percent of "other crop" seed by weight, including the seed of other agronomic crops and native plants; however, a lower percentage of other crop seed is recommended. Seed tags or other official documentation shall be submitted to BLM at least 14 days before the date of proposed seeding for acceptance. Seed that does not meet the above criteria shall not be applied to public lands.

- f. Seeding Procedures. Seeding shall be conducted no more than 24 hours following completion of final seedbed preparation.

Where practicable, seed shall be installed by drill-seeding to a depth of 0.25 to 0.5 inch. Where drill-seeding is impracticable, seed may be installed by broadcast-seeding at twice the drill-seeding rate, followed by raking or harrowing to provide 0.25 to 0.5 inch of soil cover or by hydroseeding and hydromulching. Hydroseeding and hydromulching shall be conducted in two separate applications to ensure adequate contact of seeds with the soil.

An exception to these seeding requirements shall be made for seeding of sagebrush and other small-seeded species such as alkali sacaton and sand dropseed. Sagebrush seeding shall occur prior to winter snowfall, or on top of snow. Sagebrush may be sown either by broadcast seeding, or, if not on snowpack, by placing the seed in the fluffy seed box of a seed drill, with the drop tube left open to allow seed to fall out on the ground surface.

If planning to drill seed, small seeds shall be packaged separately to allow for separate application. Small seeds shall be planted no deeper than 0.25 inch or broadcast. If an entire site will be broadcast seeded, the small seeds may be mixed with the rest of the seed mix.

Drill seeders shall be cleaned to remove all remaining seed from previous use prior to adding seed for reclamation on BLM permitted sites.

If interim revegetation is unsuccessful, the operator shall implement subsequent reseeding until interim reclamation standards are met.

- g. Mulch. Mulch shall be applied within 24 hours following completion of seeding in project areas within pinyon-juniper, sagebrush shrubland, and/or salt desert shrub habitat types. Mulch may consist of either hydromulch or of certified weed-free straw or certified weed-free native grass hay crimped into the soil. Straw mulch shall not be used within mountain shrub or spruce-fir forest habitat types, unless requested or approved by the BLM.

NOTE: Mulch is not required in areas where erosion potential mandates use of a biodegradable erosion-control blanket (straw matting).

- h. Erosion Control. Cut-and-fill slopes shall be protected against erosion with the use of water bars, lateral furrows, or other BMPs approved by the BLM. Additional BMPs such as biodegradable wattles, weed-free straw bales, or silt fences shall have be employed as necessary to reduce transport of sediments into the drainages. The BLM may, in areas with high erosion potential, require use of hydromulch or biodegradable blankets/matting to ensure adequate protection from slope erosion and offsite transport of sediments and to improve reclamation success.
- i. Site Protection. The pad shall be fenced to BLM standards to exclude livestock grazing for the first two growing seasons or until seeded species are firmly established, whichever comes later. The seeded species will be considered firmly established when at least 50 percent of the new plants are producing seed. The BLM will approve the type of fencing.
- j. Monitoring. The operator shall conduct annual monitoring surveys of all sites categorized as "operator reclamation in progress" and shall submit an annual monitoring report of these sites, including a description of the monitoring methods used, to the BLM by **December 31** of each year. The monitoring program shall use the four Reclamation Categories defined in Appendix I of the 1998 DSEIS to assess progress toward reclamation objectives. The annual report shall document whether attainment of reclamation objectives appears likely. If one or more objectives appear unlikely to be achieved, the report shall identify appropriate corrective actions. Upon review and approval of the report by the BLM, the operator shall be responsible for implementing the corrective actions or other measures specified by the BLM.
7. Weed Prevention and Control. To prevent the spread of invasive, species, all construction equipment and vehicles shall be power-washed, including the under-carriage, to remove all soil, mud, and

vegetation material prior to entering the project area. Driving through or parking on weed infestations in the project area shall be avoided.

The operator shall regularly monitor and promptly control noxious weeds or other undesirable plant species as set forth in the Glenwood Springs Field Office *Noxious and Invasive Weed Management Plan for Oil and Gas Operators*, dated March 2007. A Pesticide Use Proposal (PUP) must be approved by the BLM prior to the use of herbicides. Annual weed monitoring reports, including GPS shapefiles of treatment areas and Pesticide Application Records (PARs) (see the letter provided to operators dated February 27, 2014), shall be submitted to the BLM by **December 1**.

8. Deer and Elk Winter Use. The big game winter range Timing Limitation (TL) attached to the targeted Federal oil and gas lease does not apply to this project, because (a) the project area is not within mapped winter range for these species and (b) the BLM does not apply this TL to developments on Fee lands.
9. Bald and Golden Eagles. It shall be the responsibility of the operator to comply with the Bald and Golden Eagle Protection Act (Eagle Act) with respect to “take” of either eagle species. Under the Eagle Act, “take” includes to pursue, shoot, shoot at, poison, wound, kill, capture, trap, collect, molest and disturb. “Disturb” means to agitate or bother a bald or golden eagle to a degree that causes, or is likely to cause, based on the best scientific information available, (1) injury to an eagle; (2) a decrease in its productivity by substantially interfering with normal breeding, feeding, or sheltering behavior; or (3) nest abandonment by substantially interfering with normal breeding, feeding, or sheltering behavior. Avoidance of eagle nest sites, particularly during the nesting season, is the primary and preferred method to avoid a take. Any oil or gas construction, drilling, or completion activities planned within 0.5 mile of a bald or golden eagle nest, or other associated activities greater than 0.5 mile from a nest that may disturb eagles, should be coordinated with the BLM project lead and BLM wildlife biologist and the USFWS representative to the BLM Field Office (970-876-9051).
10. Raptor Nesting. Raptor nest surveys in the project vicinity resulted in the location of one or more raptor nest structures within 0.25 mile of a well pad or 0.125 mile of an access road, pipeline, or other surface facility. To protect nesting raptors, a 60-day Timing Limitation (TL) shall be applied to prohibit initiation of construction, drilling, or completion activities within the buffer widths specified from **March 15 to July 15**. The same 60-day TL shall also apply to prohibit initiation of construction, drilling, or completion activities during subsequent nesting seasons unless subsequent surveys determine that no nests are unoccupied during the normal breeding period for the particular species. The BLM may grant an exception to the TL in subsequent nesting seasons without requiring a follow-up survey if the nest was severely dilapidated when identified, indicating protracted disuse and low likelihood of reuse.

If project-related activities are initiated within the specified buffer distance of any active nest, even if outside the 60-day TL period specified in this COA, the operator remains responsible for compliance with the MBTA with respect to a “take” of birds or of active nests (those containing eggs or young), including nest failure caused by human activity (see COA for Migratory Birds).

For the 2015 nesting season, the Raptor Nesting COA will apply to the 28-10 and the 29-07 pads and their corresponding roads and pipelines. In subsequent years, the COA shall apply to all pads, roads, and pipelines in the project area until the occupancy status of the nests has been determined for that nesting season. If active nests are discovered, the buffer widths described above shall apply to well pads within the specified buffer distance from active nests.

11. Migratory Birds – Birds of Conservation Concern. Pursuant to BLM Instruction Memorandum 2008-050, all vegetation removal or surface disturbance in previously undisturbed lands providing potential nesting habitat for Birds of Conservation Concern (BCC) is prohibited from **May 15 to July 15**. An exception to this TL may be granted if nesting surveys conducted no more than one week prior to surface-disturbing activities indicate that no BCC species are nesting within 30 meters (100 feet) of the area to be disturbed. Nesting shall be deemed to be occurring if a territorial (singing) male is present within the distance specified above. Nesting surveys shall include an aural survey for diagnostic vocalizations in conjunction with a visual survey for adults and nests. Surveys shall be conducted by a qualified breeding bird surveyor between sunrise and 10:00 AM under favorable conditions for detecting and identifying a BCC species. This provision does not apply to ongoing construction, drilling, or completion activities that are initiated prior to May 1 and continue into the 60-day period at the same location.
12. Migratory Birds – General. It shall be the responsibility of the operator to comply with the Migratory Bird Treaty Act (MBTA) with respect to “take” of migratory bird species, which includes injury and direct mortality resulting from human actions not intended to have such result. To minimize the potential for the take of a migratory bird, the operator shall take reasonable steps to prevent use by birds of fluid-containing pits associated with oil or gas operations, including but not limited to reserve pits, produced-water pits, hydraulic fracturing flowback pits, evaporation pits, and cuttings trenches. Liquids in these pits—whether placed or accumulating from precipitation—may pose a risk to birds as a result of ingestion, absorption through the skin, or interference with buoyancy and temperature regulation.

Based on low effectiveness of brightly colored flagging or spheres suspended over a pit, the operator shall install netting with a mesh size of 1 to 1.5 inches, and suspended at least 4 feet above the fluid surface, on all pits into which fluids are placed, except for storage of fresh water in a pit that contains no other material. The netting shall be installed within 24 hours of placement of fluids into a pit. The requirement for netting does not apply to pits during periods of continuous, intensive human activity at the pad, such as drilling and hydraulic fracturing phases or, as pertains to cuttings trenches, during periods of active manipulation for cuttings management, remediation of contaminated materials, or other purposes.

In addition to netting of pits, any oil slicks and oil sheens shall be promptly skimmed off the fluid surface. The requirement for prompt skimming of oil slicks and oil sheens also applies to cuttings trenches in which precipitation has accumulated. All mortality or injury to birds shall be reported immediately to the BLM project lead and to the USFWS representative to the BLM Field Office at 970-243-2778 x28 and visit <http://www.fws.gov/mountain-prairie/contaminants/oilpits.htm>.

13. Paleontological Resources. All persons associated with operations under this authorization shall be informed that any objects or sites of paleontological or scientific value, such as vertebrate or scientifically important invertebrate fossils, shall not be damaged, destroyed, removed, moved, or disturbed. If in connection with operations under this authorization any of the above resources are encountered, the operator shall immediately suspend all activities in the immediate vicinity of the discovery that might further disturb such materials and notify the BLM of the findings. The discovery must be protected until notified to proceed by the BLM.

Where feasible, the operator shall suspend ground-disturbing activities at the discovery site and immediately notify the BLM of any finds. The BLM will, as soon as feasible, have a BLM-permitted paleontologist check out the find and record and collect it if warranted. If ground-disturbing activities

cannot be immediately suspended, the operator shall work around or set the discovery aside in a safe place to be accessed by the BLM-permitted paleontologist.

14. Cultural Education/Discovery. All persons in the area who are associated with this project shall be informed that if anyone is found disturbing historic, archaeological, or scientific resources, including collecting artifacts, the person or persons would be subject to prosecution.

If subsurface cultural values are uncovered during operations, all work in the vicinity of the resource will cease and the Authorized Officer with the BLM notified immediately. The operator shall take any additional measures requested by the BLM to protect discoveries until they can be adequately evaluated by the permitted archaeologist. Within 48 hours of the discovery, the SHPO and consulting parties will be notified of the discovery and consultation will begin to determine an appropriate mitigation measure. The BLM, in cooperation with the operator, will ensure that the discovery is protected from further disturbance until mitigation is completed. Operations may resume at the discovery site upon receipt of written instructions and authorization by the authorized officer.

Pursuant to 43 CFR 10.4(g), the holder must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony on Federal land. Further, pursuant to 43 CFR 10.4 (c) and (d), the holder must stop activities in the vicinity of the discovery that could adversely affect the discovery. The holder shall make a reasonable effort to protect the human remains, funerary items, sacred objects, or objects of cultural patrimony for a period of thirty days after written notice is provided to the authorized officer, or until the authorized officer has issued a written notice to proceed, whichever occurs first.

Antiquities, historic ruins, prehistoric ruins, and other cultural or paleontological objects of scientific interest that are outside the authorization boundaries but potentially affected, either directly or indirectly, by the Proposed Action shall also be included in this evaluation or mitigation. Impacts that occur to such resources as a result of the authorized activities shall be mitigated at the operator's cost, including the cost of consultation with Native American groups.

Any person who, without a permit, injures, destroys, excavates, appropriates or removes any historic or prehistoric ruin, artifact, object of antiquity, Native American remains, Native American cultural item, or archaeological resources on public lands is subject to arrest and penalty of law (16 USC 433, 16 USC 470, 18 USC 641, 18 USC 1170, and 18 USC 1361).

15. Visual Resources. Production facilities shall be placed to avoid or minimize visibility from travel corridors, residential areas, and other sensitive observation points—unless directed otherwise by the BLM due to other resource concerns—and shall be placed to maximize reshaping of cut-and-fill slopes and interim reclamation of the pad.

To the extent practicable, existing vegetation shall be preserved when clearing and grading for pipelines. The BLM may direct that cleared trees and rocks be salvaged and redistributed over reshaped cut-and-fill slopes or along linear features.

Above-ground facilities including valve risers and welded pipe protection cages shall be painted **Shadow Gray** to minimize contrast with adjacent vegetation or rock outcrops.

16. Fire and Fuels Management. The operator shall take all precautions to prevent wildfires and will be held responsible for the costs of suppressing fires on public lands that result from the actions of employees, contractors, or subcontractors.

The operator shall immediately report range or forest fires to the BLM, Grand Junction Dispatch, at 970-257-4800. All fires or explosions that result in damage to property or equipment, loss of oil or gas, or injuries to personnel to the BLM Dispatch and the BLM Colorado Rived Valley Field Office at 970-876-9000.

The operator shall develop and inform employees and contractors of a fire safety and evacuation plan to be followed in the event a wildfire moves toward an active pad/facility.

During conditions of extreme fire danger (e.g., National Weather Service “Red Flag” warnings), the BLM may require that surface-use operations are limited or suspended in specific areas.

Trees shall be removed to a distance of 2 to 3 times their height from any heat-producing facility.

Any welding, acetylene, or other open flames shall be operated in an area barren or cleared of all flammable materials and no closer to vegetation than at least 10 feet.

Internal combustion engines shall be equipped with approved spark arrestors, and vehicles shall be parked in designated areas without fire/fuels hazards.

17. Site-Specific Protections for Special Status Plants

- a) A BLM-approved biological monitor shall be present during construction occurring within 50 meters of Colorado hookless cactus.
- b) A temporary construction fence shall be installed along the edge of the existing road disturbance within 50 meters of known occupied and recently occupied habitat for Colorado hookless cactus, and shall remain in place until construction is completed. The temporary fence installation can be bypassed along the recent rock wall construction area.
- c) Dust abatement application shall be made along the access road and work surfaces during construction, and limited to water only to prevent negative impacts from additives.
- d) Noxious weed treatments shall be limited to manual treatments only within 100 meters of all known Colorado hookless plants and previously known occupied habitat of Colorado hookless cactus, unless herbicide use is approved by the BLM. If herbicide use is specifically approved by the BLM within this buffer, it shall be limited to spot-spray or wicking applications only.
- e) Herbicide use farther than 100 meters, and within 0.5 mile from any Colorado hookless cactus or other special status plant, shall be restricted to spot-spray or wicking applications only.
- f) Reclamation shall utilize a BLM-approved seed mix of native species appropriate for Colorado hookless cactus habitat.

BUREAU OF LAND MANAGEMENT

Colorado River Valley Field Office
2300 River Frontage Road
Silt, CO 81652

Downhole (Drilling) Conditions of Approval Applications for Permit to Drill

Operator: WPX Energy Rocky Mountain LLC
Lease Number: COC58973
Well Name: SG 924-29D
Pad: SG 31-32
Surface Location: Garfield County, NWNE, Section 32, T7S, R96W

1. Twenty-four hours *prior* to (a) spudding, (b) conducting BOPE tests, (c) cementing/running casing strings, and (d) within 24 hours *after* spudding, the CRVFO shall be notified. One of the following CRVFO inspectors shall be notified by phone. The contact number for all notifications is: 970-876-9064. The BLM CRVFO inspectors are David Giboo, Lead PET; Ed Fancher, PET; Greg Rios, PET; Tim Barrett, PET; Alex Provstgaard, PET; Brandon Jamison, PET.
2. A CRVFO petroleum engineer shall be contacted for a verbal approval prior to commencing remedial work, sidetracking operations, plugging operations on newly drilled boreholes, changes within the drilling plan, changes to the well design, changes or variances to the BOPE, deviating from conditions of approval, and conducting other operations not specified within the APD. Contact the petroleum engineer for verbal approvals (contact information below).
3. If a well control issue or failed test (e.g. kick, blowout, water flow, casing failure, or a bradenhead pressure increase) arises during drilling or completions operations, the petroleum engineer shall be notified within 24 hours from the time of the event. IADC/Driller's Logs and Pason Logs (mud logs) shall be forwarded to CRVFO – Petroleum Engineer, 2300 River Frontage Road, Silt, CO 81652 within 24 hours of a well control event.
4. The BOPE shall be tested and conform to Onshore Order No. 2 for a 3M system and recorded in the IADC/Driller's log.
5. Flexible choke lines shall meet or exceed the API SPEC 16C requirements. Flexible choke lines shall have flanged connections and configured to the manufacturer's specifications. The flexible choke lines shall be anchored in a safe and workmanlike manner. At minimum, all connections shall be effectively anchored in place for safety of the personal on location. Manufacturer specifications shall be kept with the drilling rig at all times and immediately supplied to the authorized officer/inspector upon request. Specifications at a minimum shall include acceptable bend radius, heat range, anchoring, and the working pressure. All flexible choke lines shall be free of gouges, deformations, and as straight/short as possible.
6. An electrical/mechanical mud monitoring equipment shall be function tested prior to drilling out the surface casing shoe. As a minimum, this equipment shall include a pit volume totalizer, stroke counter, and flow sensor.
7. A gas buster shall be functional and all flare lines effectively anchored in place, prior to drilling out the surface casing shoe. The discharge of the flare lines shall be a minimum of 100 feet from the wellhead and targeted at bends. The panic line shall be a separate line (not open inside the buffer

tank) and effectively anchored. All lines shall be downwind of the prevailing wind direction and directed into a flare pit, which cannot be the reserve pit. The flare system shall use an automatic ignition. Where noncombustible gas is likely or expected to be vented, the system shall be provided supplemental fuel for ignition and maintain a continuous flare.

8. A triple combo open-hole log shall be run from the base of the surface borehole to surface and from TD to bottom of surface casing shoe. This log shall be submitted within 48 hours in .las and .pdf format to: CRVFO – Petroleum Engineer, 2300 River Frontage Road, Silt, CO 81652. Contact 970-876-9000 for clarification.
9. Submit the (a) mud/drilling log (e.g. Pason disc), (b) driller's event log/operations summary report, (c) production test volumes, (d) directional survey, and (e) Pressure Integrity Test results within 30 days of completed operations (i.e. landing tubing) per 43 CRF 3160-9 (a).
10. Completion and injection plans must be submitted to and approved by BLM prior to commencing completion operations.
11. Notify the BLM Petroleum Engineer two weeks prior to commencing completion operations.
12. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. In accordance with 43-CFR 3162.4(b) submit a complete set of electrical/mechanical logs in .LAS format with standard Form 3160-4, Well Completion or Recompletion Report and Log.
13. Should the well be completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.
14. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).
15. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.
16. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

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Pad	Well	Surface Location	Bottom Hole Location
SG 31-32	WPX SG 924-29D	NWNE, Section 32, T7S R96W	SESW, Section 29, T7S R96W