

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Buffalo Field Office
Buffalo, Wyoming**

**SURFACE USE
CONDITIONS OF APPROVAL
WY-070-07-CX2-053 to 112**

POD Name: MJ POD

Operator: Petro-Canada Resources (USA), Inc.

List of Wells:

	Well Name	QTR	Sec	TWP	RNG	Lease	CX Number
1	MJ Throne 6-13CO	SWNE	6	50N	74W	WYW79450	2-053
2	MJ Throne 6-21CO	NENW	6	50N	74W	WYW79748	2-054
3	MJ Throne 6-21LA	NENW	6	50N	74W	WYW79748	2-055
4	MJ Throne 6-23CO	SWNW	6	50N	74W	WYW79450	2-056
5	MJ Throne 6-23LA	SWNW	6	50N	74W	WYW79450	2-057
6	MJ Throne 6-31CO	NESW	6	50N	74W	WYW79450	2-058
7	MJ Throne 6-31LA	NESW	6	50N	74W	WYW79450	2-059
8	MJ Throne 6-33CO	SWSW	6	50N	74W	WYW79450	2-060
9	MJ Throne 6-33LA	SWSW	6	50N	74W	WYW79450	2-061
10	MJ Throne 6-43CO	SWSE	6	50N	74W	WYW79450	2-062
11	MJ Throne 6-43LA	SWSE	6	50N	74W	WYW79450	2-063
12	MJ Love 12-13CO	SWNE	12	50N	75W	WYW146810	2-064
13	MJ Love 12-33WA	SWSW	12	50N	75W	WYW146810	2-065
14	MJ Love12-41CO	NESE	12	50N	75W	WYW146810	2-066
15	MJ Love 12-43CO	SWSE	12	50N	75W	WYW146810	2-067
16	MJ Floyd 23-33-CO	SWSW	23	51N	75W	WYW31786	2-068
17	MJ Floyd 23-33-CA	SWSW	23	51N	75W	WYW31786	2-069
18	MJ Floyd 23-43-CO	SWSE	23	51N	75W	WYW31786	2-070
19	MJ Floyd 23-43-CA	SWSE	23	51N	75W	WYW31786	2-071
20	MJ Floyd 24-33-CO	SWSW	24	51N	75W	WYW31786	2-072
21	MJ Floyd 24-33-CA	SWSW	24	51N	75W	WYW31786	2-073
22	MJ Fed 25-11CO	NENE	25	51N	75W	WYW30762	2-074
23	MJ Fed 25-11LA	NENE	25	51N	75W	WYW30762	2-075
24	MJ Yonkee 25-21CA	NENW	25	51N	75W	WYW30762	2-076
25	MJ Yonkee 25-21CO	NENW	25	51N	75W	WYW30762	2-077
26	MJ Yonkee 25-21WA	NENW	25	51N	75W	WYW30762	2-078
27	MJ Yonkee 25-41CO	NESE	25	51N	75W	WYW31336	2-079

	Well Name	QTR	Sec	TWP	RNG	Lease	CX Number
28	MJ Yonkee 25-41LA	NESE	25	51N	75W	WYW31336	2-080
29	MJ Yonkee 26-11CA	NENE	26	51N	75W	WYW31336	2-081
30	MJ Hayden 26-13CA	SWNE	26	51N	75W	WYW31336	2-082
31	MJ Hayden 26-13CO	SWNE	26	51N	75W	WYW31336	2-083
32	MJ Yonkee 26-21CA	NENW	26	51N	75W	WYW31336	2-084
33	MJ Hayden 26-33CA	SWSW	26	51N	75W	WYW31336	2-085
34	MJ Hayden 26-43CA	SWSE	26	51N	75W	WYW31336	2-086
35	MJ Hayden 26-43CO	SWSE	26	51N	75W	WYW31336	2-087
36	MJ Fed 27-13CA	SWNE	27	51N	75W	WYW31336	2-088
37	MJ Fed 27-21CA	NENW	27	51N	75W	WYW31336	2-089
38	MJ Fed 27-21CO	NENW	27	51N	75W	WYW31336	2-090
39	MJ Hayden 27-23CA	SWNW	27	51N	75W	WYW31336	2-091
40	MJ Hayden 27-23CO	SWNW	27	51N	75W	WYW31336	2-092
41	MJ Hayden 27-31CA	NESW	27	51N	75W	WYW31336	2-093
42	MJ Hayden 27-31CO	NESW	27	51N	75W	WYW31336	2-094
43	MJ Fed 27-33CA	SWSW	27	51N	75W	WYW31336	2-095
44	MJ Fed 27-33CO	SWSW	27	51N	75W	WYW31336	2-096
45	MJYonkee 31-33LA	SWSW	31	51N	74W	WYW132244	2-097
46	MJ Yonkee 34-11CA	NENE	34	51N	75W	WYW31336	2-098
47	MJ Fed 34-13CA	SWNE	34	51N	75W	WYW31336	2-099
48	MJ Fed 34-13CO	SWNE	34	51N	75W	WYW31336	2-100
49	MJ Fed 34-21CA	NENW	34	51N	75W	WYW31336	2-101
50	MJ Fed 34-21CO	NENW	34	51N	75W	WYW31336	2-102
51	MJ Hayden 34-23CA	SWNW	34	51N	75W	WYW31336	2-103
52	MJ Hayden 34-23CO	SWNW	34	51N	75W	WYW31336	2-104
53	MJ Fed 34-31CA	NESW	34	51N	75W	WYW31336	2-105
54	MJ Fed 34-31CO	NESW	34	51N	75W	WYW31336	2-106
55	MJ Hayden 34-33CO	SWSW	34	51N	75W	WYW31336	2-107
56	MJ Yonkee 34-41CA	NESE	34	51N	75W	WYW31336	2-108
57	MJ Yonkee 34-41CO	NESE	34	51N	75W	WYW31336	2-109
58	MJ Fed 34-43CA	SWSE	34	51N	75W	WYW31336	2-110
59	MJ Fed 35-21CA	NENW	35	51N	75W	WYW31336	2-111
60	MJ Yonkee 35-33CO	SWSW	35	51N	75W	WYW31336	2-112

List of Impoundments:

	IMPOUNDMENT Name / # /POD	Qtr/Qtr	Sec	T	R	Lease Number	Type Containment
1	EX11-14 – Love	NENE	14	50	75	N/A	FC
2	EX13-14 – Love	SWNE	14	50	75	N/A	FC
3	EX41-14 – Love	NESE	14	50	75	WYW51875	FC

	IMPOUNDMENT Name / # /POD	Qtr/Qtr	Sec	T	R	Lease Number	Type Containment
4	P12-2 – Love	NWNW	12	50	75	N/A	FC
5	P11-5 – Love	NESE	11	50	75	N/A	FC
6	P14-2 – Love	NENE	14	50	75	N/A	FC
7	Throne 2-11 - Jeffers	NENE	2	50	75	N/A	Flow
8	Mooney Res. – Mont.	SWSE	22	51	75	N/A	FC
9	Res.23-6 – Mont. Draw	NWSW	23	51	75	WYW31786	FC
10	26-4 – Mont. Draw	NESW	26	51	75	NA	Flow
11	35-5 (Ellen) – Mont.	NWSW	35	51	75	NA	FC
12	Res.P23-1 – Mont.	NESE	23	51	75	WYW31786	FC
13	P 2-4 – Jeffers Draw	NENW	2	50	75	NA	FC

I Site Specific Conditions of Approval

1. The operator will comply with the Plans of Development and all the Conditions of Approval included in the original PODS:

Jeffers Draw POD EA # WY-070-04-167 Approved 08-30-04

Love POD EA # WY-070-04-234 Approved 09-23-04

Montgomery Draw POD EA # WY-070-04-176 Approved 8-13-04

Sand Draw POD EA#WY-070-06-010 Approved 02-16-06

2. Please contact Kathy Brus, Natural Resource Specialist, @ (307) 684-1087, Bureau of Land Management, Buffalo, if there are any questions concerning these COAs.
3. Onshore Order #1, as revised effective 05-07-07, requires that all operators certify to the Field Office in writing that they have supplied a copy of the Surface Use Plan to each of the private surface owners affected by the project. This self-certification must be received by this office before construction on the project begins.

Please note, effective 05-07-07, operators must supply a copy of the Surface Use Plan to each of the private surface owners prior to approval of the APD.

4. The operator may choose to drill one well at each location to produce one to three coal zones. In the event that the location selected for drilling is not designated to be drilled to the coal zone identified on the permit application, the operator must submit a Sundry notice for the change.
5. In order to monitor any changes in the groundwater quality in the project area, the operator will sample and analyze the springs located within the POD boundary in the spring and the fall of each year, continuing for at least two years after the wells no longer are productive. Analysis will follow the NPDES Suite parameters and protocol. Copies of the water analysis including depth to water table and flowrate will be supplied to the BLM Authorized Officer.
6. The installation of additional treatment facilities at the water discharge points in the project area is not authorized at this time. If it is determined that there is a need for treatment prior to discharge, the operator will submit a Sundry notice for analysis and approval of the treatment facility prior to any construction.

7. With the exception of the two impoundments identified as flow through systems (Throne 2-11 and 26-4), no continuous discharge will be permitted from the impoundments included in this project. If, in the future, the operator intends to operate the remaining impoundments as flow through systems, a Sundry notice for the change to the water management plan will be submitted and additional NEPA analysis will be required.
8. The representative water analysis submitted for this project may be designated as Reference Well samples for the following PODs.

Well Name and Number	POD	Qtr/Qtr	Sec	TWP	RNG	Coal Zone
13-43LA	Cedar Draw	SWSE	13	51	75	Anderson
25-33CA	Montgomery Draw	SWSW	25	51	75	Canyon
35-13CO	Montgomery Draw	SWNE	35	51	75	Cook
13-43WA	Cedar Draw	SWSE	13	51	75	Wall

9. The channel restoration area that is proposed in Montgomery Draw (SENE Sec 26 T51N R75W) must be centerline and slope staked and inspected by the BFO Hydrologist prior to construction. The proposed location for the distribution of the excavated cut material must be provided prior to construction.
10. The channel restoration area will be expediently reclaimed and revegetated using the seed mix listed below:

Species - Cultivar	% in Mix	Lbs/Acre PLS*
Thickspike Wheatgrass – <i>Critana</i> OR Western Wheatgrass - <i>Rosana</i>	10	2.0
Alkali sacaton	50	6.0
Beardless Wildrye	10	1.0
American vetch OR Cicer Milkvetch - <i>Lutana</i>	10	1.5
White – <i>Antelope</i> Or Purple Prairie Clover – <i>Bismarck</i>	5	0.5
Lewis - <i>Appar</i> , Blue flax	5	0.5
Totals	100%	11.5 lbs/acre

11. The water discharge point identified as WDP 018 has not been constructed. It is located in the SENW Sec 2 T50N R75W and was approved in the Jeffers Draw POD as WDP 009 located in the NENE Sec 2. The map identifies the discharge point at the head of one ephemeral drainage, the latitude and longitude for this discharge point in the MJ POD identifies the location in a different ephemeral drainage to the east in the SE of the NWNE of Sec 2 while the Jeffers Draw approved location is ~ 650 feet to the NE in the NE of the NWNE Sec 2. This water discharge point cannot be constructed until the exact proposed location is approved by the BFO.

12. The following water discharge points were included in the WYPDES Permit WY0051985. They have been withdrawn from the water management plan and therefore are not approved at this time:

Outfall	Status	QQ	Sec	T	R	Latitude	Longitude
007	Not Constructed	NWSW	7	50	74	44.32171	-105.80858
009	Not Constructed	NWNE	7	50	74	44.32792	-105.79898
012	Not Constructed	NWSE	6	50	74	44.33688	-105.80070
037	Not Constructed	NESE	23	51	75	44.37843	-105.84374

The operator must submit the proposal for construction for any of these discharge points for approval via Sundry notice if the discharge point is going to be constructed.

13. The Companies will locate aboveground power lines, where practical, at least 0.5 miles from any sage grouse breeding or nesting grounds to prevent raptor predation and sage grouse collision with the conductors. Power poles within 0.5 miles of any sage grouse breeding ground will be raptor-proofed to prevent raptors from perching on the poles. This will apply to the power poles within 0.5 miles of the Montgomery Draw lek (NE Section 26 T51R75).

Standard Conditions of Approval

A. General

1. If any cultural values [sites, artifacts, human remains (Appendix L FEIS)] are observed during operation of this lease/permit/right-of-way, they will be left intact and the Buffalo Field Manager notified. The authorized officer will conduct an evaluation of the cultural values to establish appropriate mitigation, salvage or treatment. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized BLM officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - a time-frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction measures.

2. If paleontological resources, either large or conspicuous, and/or a significant scientific value are discovered during construction, the find will be reported to the Authorized Officer immediately. Construction will be suspended within 250 feet of said find. An evaluation of the paleontological discovery will be made by a BLM approved professional paleontologist within five (5) working days, weather permitting, to determine the appropriate action(s) to prevent the potential loss of any significant paleontological values. Operations within 250 feet of such a discovery

will not be resumed until written authorization to proceed is issued by the Authorized Officer. The applicant will bear the cost of any required paleontological appraisals, surface collection of fossils, or salvage of any large conspicuous fossils of significant scientific interest discovered during the operation.

3. The operator shall restrict travel on unimproved two-track roads during periods of inclement weather or spring thaw when the possibility exists for excessive surface resource damage (e.g., rutting in excess of 4-inches, travel outside two-track roadway, etc.).
4. The first producing well drilled to each targeted coal zone will be designated as the POD "Reference Well". Reference wells will not be required for PODs within a 6 mile radius of the first reference well designated by the operator, nor for co-mingled coal zones. The designated reference well must be equipped to be sampled at the well head. A reference well sample will be collected from the wellhead and submitted for analysis; using the list of analytes identified in WDEQ WYPDES Application for Permit to Surface Discharge Produced Water from CBM New Discharges, Renewals, or Major Modifications, within 30 to 60 days of initial water production. Results of the analysis will be submitted to the BFO-BLM authorized Officer as they become available.
5. By November 1 each year, companies will provide georeferenced spatial data depicting as-built locations of all facilities, wells, roads, pipelines, power lines, reservoirs, discharge points, and other related facilities to the BLM for all PODs where construction and development have been completed.
6. If any dead or injured threatened, endangered, proposed, or candidate species is located during construction or operation, the U.S. Fish and Wildlife Service's Wyoming Field Office (307-772-2374), their law enforcement office (307-261-6365), and the BLM Buffalo Field Office (307-684-1100) shall be notified within 24 hours. If any dead or injured sensitive species is located during construction or operation, the BLM Buffalo Field Office (307-684-1100) shall be notified within 24 hours.
7. Wildlife species are dynamic and new individuals may have moved into the MJ POD area after the initial wildlife surveys were completed. The Record of Decision for the PRB FEIS includes a programmatic mitigation measure that states, "The companies will conduct clearance surveys for threatened and endangered or other special-concern species at the optimum time". The measure requires companies to coordinate with the BLM before November 1 annually to review the potential for disturbance and to agree on inventory parameters. Should this project not be completed by January 15, and surface disturbance is planned for that year, a Petro-Canada company representative will coordinate with the BLM to discuss required surveys.
8. All other conservation measures and terms and conditions identified in the Powder River Basin Oil and Gas Project Biological Opinion (WY6633) shall be complied with.
9. If an undocumented raptor nest is located during project construction or operation, the Buffalo Field Office (307-684-1100) shall be notified within 24 hours.
10. All contractors will have a copy of the pod map and conditions of approval with them at all times.

B. Construction

1. A pre-construction field meeting shall be conducted prior to beginning any dirt work approved under this POD. The operator shall contact the BLM Authorized Officer Kathy Brus @ 307-684-1087 at least 4-days prior to beginning operations so that the meeting can be scheduled. The operator is responsible for having all contractors present (dirt contractors, drilling contractor, pipeline contractor, project oversight personnel, etc.) including the overall field operations superintendent, and for providing all contractors copies of the approved POD, project map and BLM Conditions of Approval pertinent to the work that each will be doing.
2. The operator will limit vegetation removal and the degree of surface disturbance wherever possible. Where surface disturbance cannot be avoided, all practicable measures will be utilized to minimize erosion and stabilize disturbed soils.
3. Construction and drilling activity will not be conducted using frozen or saturated soil material during periods when watershed damage or excessive rutting is likely to occur.
4. Remove all available topsoil (depths vary from 4 inches on ridges to 12+ inches in bottoms) from constructed well locations including areas of cut and fill, and stockpile at the site. Topsoil will also be salvaged for use in reclamation on all other areas of surface disturbance (roads, pipelines, etc.). Clearly segregate topsoil from excess spoil material. Any topsoil stockpiled for one year or longer will be signed and stabilized with annual ryegrass or other suitable cover crop.
5. The operator will not push soil material and overburden over side slopes or into drainages. All soil material disturbed will be placed in an area where it can be retrieved without creating additional undue surface disturbance and where it does not impede watershed and drainage flows.
6. Construct the backslope no steeper than 1½:1, and construct the foreslope no steeper than 2:1, unless otherwise directed by the BLM Authorized Officer.
7. Maintain a minimum 20-foot undisturbed vegetative border between toe-of-fill of pad and/or pit areas and the edge of adjacent drainages, unless otherwise directed by the BLM Authorized Officer.
8. With the overall objective of minimizing surface disturbance and retaining land stability and productivity, the operator shall utilize equipment that is appropriate to the scope and scale of work being done for roads and well pads (utilize equipment no larger than needed for the job).
9. To minimize electrocution potential to raptors, all overhead electrical power lines will be constructed to Avian Power Line Interaction Committee (1996) standards and additional standards identified in the PRB FEIS Biological Opinion (Volume 3, Appendix K, page 43).
10. The operator shall utilize wheel trenchers or ditchers to construct all pipeline trenches, except where extreme topography or other environmental factors preclude their use.
11. Reserve pits will be adequately fenced during and after drilling operations until pit is reclaimed so as to effectively keep out wildlife and livestock. Adequate fencing, in lieu of more stringent requirements by the surface owner, is defined as follows:

- Construction materials will consist of steel or wood posts. Three or four strand wire (smooth or barbed) fence or hog panel (16-foot length by 50-inch height) or plastic snow fence must be used with connectors such as fence staples, quick-connect clips, hog rings, hose clamps, twisted wire, etc. Electric fences will not be allowed.
 - Construction standards: Posts shall be firmly set in ground. If wire is used, it must be taut and evenly spaced, from ground level to top wire, to effectively keep out animals. Hog panels must be tied securely into posts and one another using fence staples, clamps, etc. Plastic snow fencing must be taut and sturdy. Fence must be at least 2-feet from edge of pit. 3 sides fenced before beginning drilling, the fourth side fenced immediately upon completion of drilling and prior to rig release. Fence must be left up and maintained in adequate condition until pit is closed.
12. The reserve pit will be oriented to prevent collection of surface runoff. After the drilling rig is removed, the operator may need to construct a trench on the uphill side of the reserve pit to divert surface drainage around it. If constructed, the trench will be left intact until the pit is closed.
 13. The reserve pit will be lined with an impermeable liner if permeable subsurface material is encountered. An impermeable liner is any liner having a permeability less than 10^{-7} cm/sec. The liner will be installed so that it will not leak and will be chemically compatible with all substances that may be put in the pit. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use. In gravelly or rocky soils, a suitable bedding material such as sand will be used prior to installing the liner.
 14. The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).
 15. Culverts will be placed on channel bottoms on firm, uniform beds, which have been shaped to accept them, and aligned parallel to the channel to minimize erosion. Backfill will be thoroughly compacted.
 16. The minimum diameter for culverts will be 18 inches. However, all culverts will be appropriately sized in accordance with standards in BLM Manual 9113.
 17. Construction and other project-related traffic will be restricted to approved routes. Cross-country vehicle travel will not be allowed.
 18. Maximum design speed on all operator-constructed and maintained roads will not exceed 25 miles per hour.
 19. Pipeline construction shall not block nor change the natural course of any drainage. Pipelines shall cross perpendicular to drainages. Pipelines shall not be run parallel in drainage bottoms. Suspended pipelines shall provide adequate clearance for maximum runoff.
 20. Pipeline trenches shall be compacted during backfilling. Pipeline trenches shall be routinely inspected and maintained to ensure proper settling, stabilization and reclamation.
 21. During construction, emissions of particulate matter from well pad and road construction would be minimized by application of water or other non-saline dust suppressants with at least 50 percent control efficiency. Dust inhibitors (surfacing materials, non-saline dust suppressants, and water) will be used as necessary on

unpaved roads that present a fugitive dust problem. The use of chemical dust suppressants on public surface will require prior approval from the BLM Authorized Officer.

22. Operators are required to obtain a National Pollution Discharge Elimination System (NPDES) Storm Water Permit from the Wyoming DEQ for any projects that disturb five or more acres (changing to one acre in March 2005). This general construction storm water permit must be obtained from WDEQ prior to any surface disturbing activities and can be obtained by following directions on the WDEQ website at <http://deq.state.wy.us>. Further information can be obtained by contacting Barb Sahl at (307) 777-7570.
23. The operator shall submit a Sundry Notice (Form 3160-5) to BLM for approval prior to construction of any new surface disturbing activities that are not specifically addressed in the approved APD or POD Surface Use Plan.
24. Weed educational material will be reviewed with operators during pre-construction on-site meetings with operators, subcontractors, and landowners and will also be attached to approved APDs and PODs.
25. Companies will contact the counties to pursue development of maintenance agreements to ensure county roads are adequately maintained for the projected increase in use.

C. Operations/Maintenance

26. The operator shall complete coal bed natural gas wells (case, cement and under ream) as soon as possible, but no later than 30 days after drilling operations, unless an extension is given by the BLM Authorized Officer.
27. If in the process of air drilling the wells there is a need to utilize mud, all circulating fluids will be contained either in an approved pit or in an aboveground containment tank. The pit or containment tank will be large enough to safely contain the capacity of all expected fluids without danger of overflow. Fluid and cuttings will not be squeezed out of the pit, and the pit will be reclaimed in an expedient manner.
28. Confine all equipment and vehicles to the access road(s), pad(s), and area(s) specified in the approved APD or POD.
29. All waste, other than human waste and drilling fluids, will be contained in a portable trash cage. This waste will be transported to a State approved waste disposal site immediately upon completion of drilling operations. No trash or empty barrels will be placed in the reserve pit or buried on location. All state and local laws and regulations pertaining to disposal of human and solid waste will be complied with.
30. Rat and mouse holes shall be filled and compacted from the bottom to the top immediately upon release of the drilling rig from the location.
31. The operator will be responsible for prevention and control of noxious weeds and weeds of concern on all areas of surface disturbance associated with this project (well locations, roads, water management facilities, etc.) Use of pesticides shall comply with the applicable Federal and State laws. Pesticides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of Interior. Prior to the use of pesticides on public land, the holder shall obtain from the BLM authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of

storage and disposal of containers, and any other information deemed necessary by the authorized officer to such use.

32. Sewage shall be placed in a self-contained, chemically treated porta-potty on location.
33. The operator and their contractors shall ensure that all use, production, storage, transport and disposal of hazardous and extremely hazardous materials associated with the drilling, completion and production of these wells will be in accordance with all applicable existing or hereafter promulgated federal, state and local government rules, regulations and guidelines. All project-related activities involving hazardous materials will be conducted in a manner to minimize potential environmental impacts. In accordance with OSHA requirements, a file will be maintained onsite containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds and/or substances which are used in the course of construction, drilling, completion and production operations.
34. Produced fluids shall be put in test tanks on location during completion work. Produced water will be put in the reserve pit during completion work per Onshore Order #7.
35. The only fluids/waste materials which are authorized to go into the reserve pit are RCRA exempt exploration and production wastes. These include:
 - drilling muds & cuttings
 - rigwash
 - excess cement and certain completion & stimulation fluids defined by EPA as exempt

It does not include drilling rig waste, such as:

- spent hydraulic fluids
- used engine oil
- used oil filter
- empty cement, drilling mud, or other product sacks
- empty paint, pipe dope, chemical or other product containers
- excess chemicals or chemical rinsate

Any evidence of non-exempt wastes being put into the reserve pit may result in the BLM Authorized Officer requiring specific testing and closure requirements.

36. Reserve pits will be closed as soon as possible, but no later than 90 days from time of drilling/well completion, unless the BLM Authorized Officer gives an extension. Squeezing of pit fluids and cuttings is prohibited. Pits must be dry of fluids or they must be removed via vac-truck or other environmentally acceptable method prior to backfilling, re-contouring and replacement of topsoil. Mud and cuttings left in pit must be buried at least 3-feet below re-contoured grade. The operator will be responsible for re-contouring any subsidence areas that develop from closing a pit before it is sufficiently dry.
37. Operators are advised that prior to installation of any oil and gas well production equipment which has the potential to emit air contaminants, the owner or operator of the equipment must notify the Wyoming Department of Environmental Quality, Air Quality Division (phone 307-777-7391) to determine permit requirements. Examples

of pertinent well production equipment include fuel-fired equipment (e.g., diesel generators), separators, storage tanks, engines and dehydrators.

38. If this well is drilled during the fire season (June-October), the operator shall institute all necessary precautions to ensure that fire hazard is minimized, including but not limited to mowing vegetation on the access route(s) and well location(s), keeping fire fighting equipment readily available when drilling, etc.

D. Dry Hole/Reclamation

39. All disturbed lands associated with this project, including the pipelines, access roads, water management facilities, etc will be expediently reclaimed and reseeded in accordance with the surface use plan and any pertinent site-specific COAs.
40. Disturbed lands will be re-contoured back to conform with existing undisturbed topography. No depressions will be left that trap water or form ponds.
41. The fluids and mud must be dry in the reserve pit before re-contouring pit area. The operator will be responsible for re-contouring of any subsidence areas that develop from closing a pit before it is completely dry. The plastic pit liner (if any) will be cut off below grade and properly disposed of at a state authorized landfill before beginning to re-contour the site.
42. Before the location has been reshaped and prior to redistributing the topsoil, the operator will rip or scarify the drilling platform and access road on the contour, to a depth of at least 12 inches. The rippers are to be no farther than 24 inches apart.
43. Distribute the topsoil evenly over the entire location and other disturbed areas. Prepare the seedbed by disking to a depth of 4-to-6 inches following the contour.
44. Phased reclamation plans will be submitted to BLM for approval prior to individual POD facility abandonment via a Notice of Intent (NOI) Sundry Notice. Individual facilities, such as well locations, pipelines, discharge points, impoundments, etc. need to be addressed in these plans as they are no longer needed. Individual items that will need to be addressed in reclamation plans include:
 - Pit closure (Close ASAP after suitably dry, but no later than 90 days from time of drilling unless an extension is given by BLM Authorized Officer.) BLM may require closure prior to 90 days in some cases due to land use or environmental concerns.
 - Configuration of reshaped topography, drainage systems, and other surface manipulations
 - Waste disposal
 - Revegetation methods, including specific seed mix (pounds pure live seed/acre) and soil treatments (seedbed preparation, fertilization, mulching, etc.). On private surface, the landowner should be consulted for the specific seed mix.
 - Other practices that will be used to reclaim and stabilize all disturbed areas, such as water bars, erosion fabric, hydro-mulching, etc.
 - An estimate of the timetables for beginning and completing various reclamation operations relative to weather and local land uses.
 - Methods and measures that will be used to control noxious weeds, addressing both ingress and egress to the individual well or POD.

- Decommissioning/removal of all surface facilities
 - Closure and reclamation of areas utilized or impacted by produced CBM water, including discharge points, reservoirs, off-channel pits, land application areas, livestock/wildlife watering facilities, surface discharge stream channels, etc
45. BLM will not release the performance bond until all disturbed areas associated with the APD/POD have been successfully revegetated (evaluation will be made after the second complete growing season) and has met all other reclamation goals of the surface owner and surface management agency.
 46. A Notice of Intent to Abandon and a Subsequent Report of Abandonment must be submitted for abandonment approval.
 47. For performance bond release approval, a Final Abandonment Notice (with a surface owner release letter on split-estate) must be submitted prior to a final abandonment evaluation by BLM.
 48. Soil fertility testing and the addition of soil amendments may be required to stabilize some disturbed lands.
 49. Any mulch utilized for reclamation needs to be certified weed free.
 50. Waterbars are to be constructed at least one (1) foot deep, on the contour with approximately two (2) feet of drop per 100 feet of waterbar to ensure drainage, and extended into established vegetation. All waterbars are to be constructed with the berm on the downhill side to prevent the soft material from silting in the trench. The initial waterbar should be constructed at the top of the backslope. Subsequent waterbars should follow the following general spacing guidelines:

Slope (percent)	Spacing Interval (feet)
≤ 2 - 4	310
5 - 8	260
9 - 12	200

E. Producing Well

51. Landscape those areas not required for production to the surrounding topography as soon as possible. The fluids and mud must be dry in the reserve pit before re-contouring pit area. The operator will be responsible for re-contouring and reseeding of any subsidence areas that develop from closing a pit before it is completely dry.
52. Reduce the backslope to 2:1 and the foreslope to 3:1, unless otherwise directed by the BLM Authorized Officer. Reduce slopes by pulling fill material up from foreslope into the toe of cut slopes.
53. Production facilities (including dikes) must be placed on the cut portion of the location and a minimum of 15 feet from the toe of the back cut unless otherwise approved by the BLM Authorized Officer.
54. Any spilled or leaked oil, produced water or treatment chemicals must be reported in accordance with NTL-3A and immediately cleaned up in accordance with BLM requirements. This includes clean-up and proper disposition of soils contaminated as a result of such spills/leaks.

55. Distribute stockpiled topsoil evenly over those areas not required for production and reseed as recommended.
56. Upgrade and maintain access roads and drainage control (e.g., culverts, drainage dips, ditching, crowning, surfacing, etc.) as necessary and as directed by the BLM Authorized Officer to prevent soil erosion and accommodate safe, environmentally-sound access.
57. Prior to construction of production facilities not specifically addressed in the APD/POD, the operator shall submit a Sundry Notice to the BLM Authorized Officer for approval.
58. If not already required prior to constructing and drilling the well location, the operator shall immediately upgrade the entire access road to BLM standards (including topsoiling, crowning, ditching, drainage culverts, surfacing, etc.) to ensure safe, environmentally-sound, year-round access. This requirement does not supercede or apply where specific road requirements are addressed in the APD/POD surface use plan (e.g., two track road, spot upgrade, etc.)
59. Waterbars shall be installed on all reclaimed pipeline corridors per the guidelines in D #12.