New York State Departmen Division of Mineral Resources 128 South Street Olean, NY 14760

* Environmental Conservation



Michael D. Zagata Commissioner

Supplementary Drilling Conditions

Permit Number 06429

- 1. The Operator shall provide the drilling company with a well prognosis indicating tops with appropriate warning comments. This prognosis shall be posted clearly in the doghouse.
- Drilling companies shall post in the doghouse individual crew member responsibilities for blowout control.
- 3. Blowout prevention equipment, either pipe and blind rams or a spherical annular type, shall be installed on the wellhead, and all control lines shall be high pressure tubular steel with flanged connections. The BOP is to be actuated by an energy source other than rig hydraulics. A new air head rubber shall be installed in the rotating head prior to drilling below 2640 feet.
- 4. A flanged choke manifold assembly shall be installed no closer than 25 feet from the wellhead containing no elbows and T's either at the wellhead or before the choke, to control the flow through the killlines. The line shall be welded from the flange spool to the choke assembly. Λll lines shall be staked and chained down.
- 5. The flow line shall be constructed of T&C tubular goods with a working pressure of at least 1500 psi and with flanged connections at the wellhead, and shall be without turns or bends. All lines shall be staked and chained down.
- 6. The blowout preventer shall be tested to a minimum of 1000 psig prior to drilling out of cemented casing. This office shall be notified four (4) hours prior to testing and a State Oil and Gas Inspector may be present during the test. If the inspector is not on location at the agreed to time, then the test may continue with the witness' name and the results of the test being noted on the driller's log.
- 7. At least 300 barrels of water shall be on site ready for use as a kill fluid prior to drilling below 7640 feet.
- 8. If kill fluid has been put into the well, pressure control devices (i.e., spherical annular BOP, lubricator, wipers, etc.) shall be used during logging operations.

NOTE: Any violation of these permit conditions may result in the immediate suspension of the operation.

