

FINAL VERSION

RULE B-42 - SEISMIC RULES AND REGULATIONS

Any person or entity desiring to perform field seismic operations within the State of Arkansas shall make application on AOGC Form 19, to the Oil and Gas Commission for a permit to do so. Each application as filed shall be accompanied by a registration fee of Two Hundred Fifty Dollars and No/100 (\$250.00) or such sum as the Commission may prescribe therefore not exceeding the sum of Five Hundred Dollars and No/100 (\$500.00) together with a bond wherein said applicant is principal and a corporate surety approved by the Commission authorized to do business in the State of Arkansas for the use and benefit of the Arkansas Oil and Gas Commission in the penal sum of Fifty Thousand Dollars and No/100 (\$50,000.00) (or such larger amount as may be prescribed by the Commission not to exceed Two Hundred Fifty Thousand Dollars and No/100 (\$250,000.00)) on AOGC Form 19B, conditioned that said principal shall comply with Acts 1991, No. 5, (Ark. Code Ann. (1987) § 15-71-114) as by law required and the orders, rules, and regulations of said Commission as promulgated thereunder. Any such application, required registration fee and bond amount shall be submitted and approved by the Director prior to commencing field seismic operations. As used herein, "field seismic operations" is defined as any geophysical method utilizing certain instruments operating under the laws of physics respecting gravity, vibration or sound, magnetism and electricity or instruments used to measure geochemical variations to determine conditions below the surface of the earth which may contain oil or gas and is inclusive of but not limited to the preliminary line survey, the acquisition of necessary permits, the selection and marking of shot-hole locations, necessary clearing of vegetation, shot-hole drilling, implantation of charge, detonation and backfill of shot-hole as required under General Rule B-10.

The person or entity proposing to conduct such seismic operations shall file an application (AOGC FORM 19) accompanied by the information and drawings to be submitted therewith together with such additional information, if any, as the Commission may require to identify the area within which such operations are proposed to be conducted and the course and route thereof. Any substantial variations or departures therefrom shall be promptly reported to the Commission by the filing of amended or supplemental drawings reflecting the same. No entry shall be made by any person or entity upon the lands upon which such seismic operations are to be conducted without the person or entity having first given notice as provided in Ark. Code Ann. (1987) §15-72-203 to the surface owner of the lands upon which such operations are to be conducted. All vehicles utilized by the prime seismic contractor or its agents shall be clearly identified by signs or markings readily legible during daylight hours from a distance of fifty feet (50') while the vehicle is stationary indicating the name of such contractor.

Any person or entity desiring to perform field seismic operations within the State of Arkansas may accompany the application as filed for a permit to do so with a request, in writing, that said application with all information and drawings required to be submitted therewith be kept confidential for a period not to exceed twelve (12) months from the date of filing said application with said Commission, provided that said application and the information and drawings submitted therewith, when pertinent, may be introduced in evidence in any public hearing before the Commission or any court, regardless of the request that such be kept confidential.

No shot-hole shall be drilled nor charge detonated within two hundred feet (200') of any residence, water well or other structure without having first secured the express written authority of the owner and occupant thereof and the prime contractor shall be absolutely liable for the damages resulting therefrom. Seismic permits will be required to be obtained from the owner or owners of lands lying within the scaled distance schedule as hereinafter set forth based upon a charge weight of seventy (70) FT/LB ½:

<u>DISTANCE TO STRUCTURE (FT)</u>	<u>MAXIMUM ALLOWABLE CHARGE WEIGHTS (LBS)</u>
50	(*) 0.5
100 (*)	2.0
150 (*)	4.5
200	8.0
250	12.0
300	18.0
350	25.0

(*) Requires special permit and authorization and imposes absolute liability on prime contractors for damages.

The maximum allowable charge weight (lbs.) is 25.0 unless the permittee requests and secures the prior written authorization from the Director of Production and Conservation of the Oil and Gas Commission regardless of the distance from the shot-hole to the structure.

All bonds required to be filed shall remain in effect so long as the permittee is conducting field seismic operations in the State of Arkansas and until such bond is released by the Commission upon evidence being provided that all damages resulting from such operations have been settled and released.