Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

F	ORM	I AP	PRO	VED
C	MB N	NO.	1004	-0135
E	xnires	: In	lv 31	2010

5. Lease Serial No. NMLC029410A

If Indian, Allottee or Tribe Na

	II. Use form 3160-3 (APL				o. Il manai, monec o	. Tribe (value	
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No. NMNM70987A						
Type of Well		18 00 SOL	8. Well Name and No. MCA 281				
Name of Operator CONOCOPHILLIPS COMPAN	Contact: F	RON ECKER	T Ilips.com	ECEIVE	9. API Well No. 30-025-23741		
3a. Address 3300 N. "A" STREET, BLDG. MIDLAND, TX 79705	(include area co 8-9119		10. Field and Pool, or Exploratory MALJAMAR				
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)		••	11. County or Parish,	and State		
Sec 29 T17S R32E Mer NMP		LEA COUNTY, NM					
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATURE O	F NOTICE, F	REPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION							
■ Notice of Intent	☐ Acidize	□ Dec	☐ Deepen		ction (Start/Resume)	■ Water Shut-O	ff
_	Alter Casing	□ Frac	ture Treat	Reclar	mation	■ Well Integrity	,
☐ Subsequent Report	□ Casing Repair	□ New	Construction	□ Recon	plete	🛛 Other	
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	□ Tempo	orarily Abandon		
	☐ Convert to Injection ☐		Back	Water	Disposal		
testing has been completed. Final Aldetermined that the site is ready for for ConocoPhillips Company requal flowline from the MCA 281 (Production Header (located in The new pipeline will be a 21 pipeline will have an operating gas, & water mixture). The pipeline route will follow of the new pipeline route will als leaks on the pipeline as soon	inal inspection.) Juest permission to reroute located in the NWNW of S the NWSE of Section 30, Jet Fiberspar surface pipel pressure of approximately Existing road corridors to ke so assist ConocoPhillips Co	and upgrade ection 29, T1 T17S, R32E ine approxim y 60 PSI with	7S, R32E) to). ately 7,269ft a a flowrate of	o the MCA 1A in length. The f 142 BPD (oil	e ,	and the operator has	
14. I hereby certify that the foregoing is	Electronic Submission #2 For CONOCOF Committed to AFMSS for	PHILLIPS CO	MPANY, sent y LINDA DENI	to the Hobbs NISTON on 08/	15/2014 ()		-
Name(Printed/Typed) MYRA H I	HARRISON		Title PTR	RC-CONTRA	CT AGENT		
•	•						
Signature (Electronic S				1/2014			
	THIS SPACE FO	R FEDERA	L OR STAT	E OFFICE U	JSE		
Approved By /S/ STEPHEN J. CAFFEY			Title	FIELD	MANAGER	FEB 25	2015
Conditions of approval, if any, are attache certify that the applicant holds legal or eq which would entitle the applicant to condi	Office CARLSBAD FIELD OFFISE						
Title 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a c				nake to any department or	agency of the United	,

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** FOR RECORD ONLY



Additional data for EC transaction #253865 that would not fit on the form

32. Additional remarks, continued

The existing pipeline will be flushed, capped and abandoned in place except for that portion that is on the surface will be removed.

Construction will begin as soon as BLM Approval Notification has been received. Preferred start date 9-1-2014.

Please contact ConocoPhillips Company's local PTRRC - Contract Agent, Myra Harrison at 575-441-1805 for additional information or assistance concerning this project.



Myra Harrison Contract Agent, PTRRC ConocoPhillips Company P. O. Box 1012 Hobbs, NM 88241 Phone: 432-688-6834 Cell: 575-441-1805

Myra.Harrison@contractor.conocophillips.com

July 21, 2014

Cody Layton, Natural Resource Specialist Bureau of Land Management Carlsbad Field Office 620 E Greene Street Carlsbad, NM 88220

Dear Mr. Layton,

Please find attached ConocoPhillips Company Sundry Notice (Form, 3160-5) requesting the permission to upgrade and reroute a flowline from the MCA 281 located in the NWNW of Section 29, T17S R32E to the MCA 1A Production Header located in the NWSE of Section 30, T17S, R32E. Also, attached for your reference is a map of the proposed pipeline route.

Please feel free to contact me at 575-441-1805 if you should have any questions or need additional information.

Sincerely,

Myra Harrison PTRRC –Contract Agent ConocoPhillips Company



MCA 281 Flowline to the MCA 1A Production Header

Section 29 & 30 Twn 17S Rge 32E Lea County NM

LAT 32°48'33.66"N (NAD 83) LON 103°47'49.56"W (NAD 83)

API 30-025-23741 Prop Code A705006

Length of Proposed Flowline(IN RED) that will follow the Roads ~ 7,269 Ft

Oil Production 10 BPD
Water Production 132 BPD
Gas production 4 MCF
Pressure 60 PSI

BLM LEASE NUMBER: NMLC 058697 B COMPANY NAME: Conoco Phillips Company ASSOCIATED WELL NAME: MCA 334

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:
 - a. Activities of the holder including, but not limited to construction, operation, maintenance,

and termination of the facility.

- b. Activities of other parties including, but not limited to:
 - (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

- 5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.
- 6. All construction and maintenance activity will be confined to the authorized right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.
- 7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.
- 8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.
- 9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

- 10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.
- 14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.
- 16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

18. Special Stipulations:

- a. <u>Lesser Prairie-Chicken:</u> Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.
- b. This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.