Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Serial No. NMLC-061863-A

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals

	orm for proposals to drill or to Use Form 3160-3 (APD) for suc			
SUBMIT	IN TRIPLICATE – Other instructions or	page 2.	7. If Unit of CA/Agree	ement, Name and/or No.
. Type of Well Oil Well Gas W	ell Other		8. Well Name and No. TRIONYX 6 FED #5	ih & #6H
Name of Operator DEVON ENERGY PRODUCTION C	O. LP CONTACT: AL HUNT al.hunt@	bosquesystems.com	9. API Well No. 30-025-40045 & 30-	025-40046 /
a. Address 33 WEST SHERIDAN AVE., OKLAHOMA CITY		(include area code)	10. Field and Pool or I COTTON DRAW, B	•
. Location of Well <i>(Footage, Sec., T.,)</i> RIONYX 6 FED #5H - SEC. 6 T25S R32E SW/ RIONYX 6 FED #6H - SEC. 6 T25S R32E SW/	R.,M., or Survey Description) 4 SE/4 200FSL 2310FEL 4 SE/4 200FSL 2260FEL		11. County or Parish, S LEA COUNTY, NM	State
12. CHEC	K THE APPROPRIATE BOX(ES) TO IND	CATE NATURE OF NOTION	CE, REPORT OR OTHI	ER DATA
TYPE OF SUBMISSION		TYPE OF ACT	TION	
Notice of Intent	Acidize Deepe		luction (Start/Resume) amation	Water Shut-Off Well Integrity
Subsequent Report		_	omplete porarily Abandon	✓ Other
Final Abandonment Notice	Convert to Injection Plug 1	Back Wat	er Disposal	
Attach the Bond under which the w following completion of the involve testing has been completed. Final determined that the site is ready for DEVON ENERGY PRODUCTION OF RIONYX 6 FED #5H & 6H WELL FROM THE WELLS WITHIN THE CONTRACT PRODUCTION OF THE WELL PAD WILL NEED TO BE TANK. ATTACHED TO THIS SUNDRY ARE SPECIFICATIONS FOR REUSING APProved for 12	COMPANY, L.P. WOULD LIKE TO ALLO PAD LOCATED IN THE SE/4 SW/4 OF SECTION DRAW AND REUSE THE WAT EINCREASED BY 2420 SQUARE FEET EPLATS OF THE WELL PAD, SITE PLATE PRODUCED WATER.	No. on file with BLM/BIA. In ultiple completion or recomposed all requirements, including the BOSQUE DISPOSAL SECTION 6, T25S-R32E. THE TO FRAC WELLS WITH TO THE EASTERN DIRECTORS, AND PIPELINES. AIR	Required subsequent repoletion in a new interval recolumn in a new interval reclamation, have been systems L.L.C. TO ITHIS TANK WILL COITHIN THE COTTON ITHIN THE COTTON ITHIN THE COTTON ITHIN THE COTTON ITHIN THE COTTON I	orts must be filed within 30 days, a Form 3160-4 must be filed once a completed and the operator has INSTALL A TANK ON THE LLECT PRODUCED WATER DRAW.
I hereby certify that the foregoing is t AL HUNT	rue and correct. Name (Printed/Typed)	Title COMPANY ENVIR	CONMENTAL SPECIA	LIST FOR BOSQUE SYSTEMS
Signature		Date		
	THIS SPACE FOR FEDE	RAL OR STATE OF	FICE USE	121
Approved by	m 5 Celly	Title STEPHEN J.	CAFFEY	Date //29/15
nat the applicant holds legal or equitable t	d. Approval of this notife does not warrant or citle to those rights in the subject lease which we thereon.	ould Office		, - , , , , , , , , , , , , , , , , , ,

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

FEB 1 8 2015

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and grantingapproval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Form 3160-5 (March 2012)

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

FORM APPROVED
OMB No. 1004-0137
Evnires: October 31, 201.

5. Lease Serial No. NMLC-061863-A

6. If Indian, Allottee or Tribe Name

abandoned well. U	Jse Form 3160-3 (A	PD) for such proposa	ls		
SUBMIT	IN TRIPLICATE – Other	instructions on page 2.		7. If Unit of CA/Agree	ment, Name and/or No.
1. Type of Well				į	
✓ Oil Well Gas W	ell Other			8. Well Name and No. TRIONYX 6 FED #5	H & #6H
2. Name of Operator DEVON ENERGY PRODUCTION C	O. LP CONTACT: AL H	IUNT al.hunt@bosquesystem	s.com	9. API Well No. 30-025-40045 & 30-	025-40046
3a. Address	/ OV 70400	3b. Phone No. (include area co	ode)	10. Field and Pool or E	xploratory Area
333 WEST SHERIDAN AVE., OKLAHOMA CITY	, OK 73102	817-653-1583		COTTON DRAW, BO	ONE SPRING
4. Location of Well (Footage, Sec., T., F TRIONYX 6 FED #5H - SEC. 6 T25S R32E SW/- TRIONYX 6 FED #6H - SEC. 6 T25S R32E SW/-)		11. County or Parish, S LEA COUNTY, NM	State .
12. CHEC	K THE APPROPRIATE BO	X(ES) TO INDICATE NATUR	E OF NOTIO	CE, REPORT OR OTHI	ER DATA
TYPE OF SUBMISSION		TY	PE OF ACT	ION	
✓ Notice of Intent	Acidize	Deepen	Prod	uction (Start/Resume)	Water Shut-Off
Notice of fracti	Alter Casing	Fracture Treat	Recl	amation	Well Integrity
Subsequent Report	Casing Repair	New Construction	Reco	omplete	Other
Subsequent Report	Change Plans	Plug and Abandon	Tem	porarily Abandon	
Final Abandonment Notice	Convert to Injection	Plug Back	☐ Wate	er Disposal	
13. Describe Proposed or Completed Op the proposal is to deepen directiona					

DEVON ENERGY PRODUCTION COMPANY, L.P. WOULD LIKE TO ALLOW BOSQUE DISPOSAL SYSTEMS L.L.C. TO INSTALL A TANK ON THE TRIONYX 6 FED #5H & 6H WELL PAD LOCATED IN THE SE/4 SW/4 OF SECTION 6, T25S-R32E. THIS TANK WILL COLLECT PRODUCED WATER FROM THE WELLS WITHIN THE COTTON DRAW AND REUSE THE WATER TO FRAC WELLS WITHIN THE COTTON DRAW.

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has

THE WELL PAD WILL NEED TO BE INCREASED BY 2420 SQUARE FEET TO THE EASTERN DIRECTION, BY 100 FEET, TO ACCOMMODATE THIS TANK.

ATTACHED TO THIS SUNDRY ARE PLATS OF THE WELL PAD, SITE PLANS, AND PIPELINES. ALSO ATTACHED IS A DETAILED PLAN AND SPECIFICATIONS FOR REUSING THE PRODUCED WATER.

14. I hereby certify that the foregoing is true and correct. Name (PrintedTyped) AL HUNT	Title COMPANY ENVIRONMENTAL SPECIALIST FOR BOSQUE SYSTEMS
Signature	Date 122-14
THIS SPACE FOR FEDER	AL OR STATE OFFICE USE
Approved by Stephn J Coff	FOR FIELD MANAGER 2/3/15
Conditions of approval, if any, are attacked. Approval of this indice does not warrant or cer that the applicant holds legal or equitable title to those rights in the subject lease which wou entitle the applicant to conduct operations thereon.	(ib)

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

determined that the site is ready for final inspection.)



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Introduction and Overview

1.1. Objective of Project

Bosque Systems will partner with Devon to provide water conservation for E&P activities via water treatment and water reuse methods.

12 Description of project

Bosque will erect two above ground storage tanks in the Devon Leasehold of the Cotton Draw in SE New Mexico. Produced water will be transferred from existing Devon underground pipeline and Devon SWD's to above-ground tanks. The produced water will be transferred from above ground tanks to frac locations in Cotton Draw unit for completion of Oil and Gas wells listed on appendix 12.

Approximately 2.5 million barrels of fresh water saved over next 12 months.

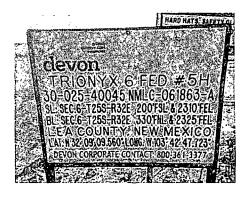
13 Location of Project (Attachment 12,3)

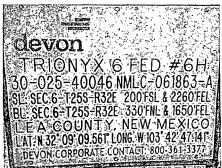
The project is co-located on Devon's leasehold in New Mexico. The surrounding terrain is typical, sandy with mesquite trees and cactus. Because Bosque is locating the water storage tanks on existing Devon well pad, the Trionyx 6 Fed #5H and #6H, it is anticipated that little or no additional disruption to the existing natural habitat will take place.

14. Duration of project is 12 Months

15 Reclamation once project is completed

All tanks and equipment will be removed from existing Devon locations and pads will under Devon reclamation procedures.







2. Water Monitoring

2.1. Type and Frequency (Attachment 10)

Bosque personnel will be monitoring the water daily. The water will be analyzed by an independent lab weekly. Copies of test results are available upon written request.

2.2. Independent Water Testing Labs

Mitchell Analytical Laboratory Inc. 2638 Faundree Rd. Midland, TX 79701 432-561-5579

Permian Basin Environmental Lab, LP 10014 S. County Road 1213 Midland, TX 79706 432-686-7235

3. Water Transfer Operations

3.1. Transfer Piping Placement Methods

All hoses and pipes are surface laid within 5-10' of roads or paths. Road crossings are accomplished with the appropriate ramp system for the material type or trenched into the road surface and covered with dirt for protection. The maximum pressure will be 125 psi, well under the material ratings.

3.2. Piping Materials

Produced water is transferred to completion locations by utilizing leak proof 8" lay-flat hose.

Produced water to fill above ground tanks will be transferred by utilizing leak proof 4"poly pipe.

4. Equipment

4.1. Large Open-Top Water Storage Tanks (Attachment 4, 6)

The two Bosque Aqua Tanks, aka "BAT" tanks are manufactured by Extreme Plastics Plus under the product name "EPIC 360" (http://extremeplasticsplus.com/epic-360). The



tanks are designed to hold approximately 40,000 barrels of water with 2' of freeboard at the tank wall. The tank measures a 153' diameter with a 12' wall height.

The tank, liner and bird netting will be installed by the supplier's certified installers under Bosque System supervision.

4.2. BATTank Liner (Attachment 7)

The liner includes a double-lined system with (2) 60 MM LLDPE textured geo- membrane liners.

4.3. Frac Tank Containment/ Tertiary BAT Containment (Attachment 6, 8, 9?)

Containment for frac tanks as well as tertiary containment for above ground tank will be 40 MM LLDPE textured geo-membrane. The berm dimensions are 9.5" x 10' length.

4.4. BAT Tank Bird Netting

Bosque Systems will utilize the OEM bird net system provided and installed by the BAT tank supplier. Bosque confirms that this system complies with the BLM bird net requirements.

Bird Netting / BLM Requirements

Bosque Systems will prevent humans, wildlife (including avian wildlife), and livestock access to fluid pits that contain or have potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will install approved netting over reserve pits containing fluid in accordance with the requirements below:

- 1. Construct a rigid structure made of steel tubing or wooden posts with cable strung across the pit at no more than seven (7) foot intervals along the X- and Y-axes to form a grid of 7 foot squares.
- 2. Suspend netting a minimum of 2 feet above the fluid surface.
- 3. Use a maximum netting mesh size of 1x 1 inches to exclude most birds.
- 4. Monitor and maintain the netting sufficiently y to ensure the netting is functioning as intended, has not entrapped wildlife, and is free of holes and gaps greater than 1x1 inches.
- 5. Use flags or tags to help make the net visible over the surface of the pond.



4.5. BAT Tank Installation Sequence; Bottom-Up (Attachment 11)

- 40 MIL Liner for containment
- Geotextile padding
- 60 MIL Tank Liner
- · Geotextile padding
- 60 MIL Tank Liner
- Geotextile padding and tank liners are rolled up to the middle
- · BAT Tank is set up on top of containment liner
- · Geotextile padding and tank liners are pulled up tank walls and secured
- Tank containment perimeter is closed with prefabricated berm material

4.6. FRAC Tanks (Attachment 4)

A total of 7 frac tanks will be utilized at each above ground tank. 4 will be used if it is necessary to offload produced water via truck. The other 3 will be used to store fresh water to pressure test water transfer lines.

4.7. Water Transfer Equipment

- 4x6 transfer pump
- 8x10transfer pump
- 50' of 4" steel braided hose
- 40' of 6' steel braided suction hose

4.8. Other Equipment

- (I)Trailer mounted filter pod
- Stationary filter pod
- light Plants

5. Pumps & Filtering Operations

5.1. All 8x10transfer pumps will have 8" leak-proof victaulic connections. All 4x6 transfer pumps will use leak proof cam-lock connections. The distance between pumps can vary from 0.6 mile to 10 mile. All transfer pumps will be placed on containment.



5.2. Filter pods will be leak proof and placed on containment. Filtering will range from 5-30 microns. Materials expected to be filtered out of water are listed below:

- Iron Carbonate
- Iron Sulfide
- Iron Oxide
- Calcium Sulfate
- Frac Sand
- Gel

5.3. Filter Socks

Used socks will be stored in leak proof 55 gallon approved poly drums and disposed of at a state approved waste location.

6. Risk Management Plan

6.1. Complete Project Risk Register (Attachment 5)

6.2. Tank Leaks

BAT tanks are manned 24/7 and inspections for leaks are performed at a minimum of once an hour. During hourly inspections, tertiary containment will be checked to verify that no residual water has leaked from double lined above ground tank.

Inspection will also include checking tank levels to verify no leak has occurred that has not been detected intertiary containment. If a leak has occurred it will be contained in tertiary containment at which point we would pump it into the Devon PW pipeline to approved SWD or suck water out with a vactruck and haul it to an approved SWD. The tank would be completely emptied and all necessary repairs made. If at any point produced water is released onto ground BLM representative would be notified. Soil samples will be taken and any necessary remediation will be performed.

6.3. Piping / Hose Leaks

Water transfer operation pressures are kept under 125 psi; under the material ratings for the systems used. All lines are pressure tested with fresh-water and observed closely for indications of leaks. The lines are manned and monitored during transfer operations. In the event a leak or spill occurs: valves are closed to isolate leak, containment is placed to limit fluid migration and a vacuum truck is used to recover the fluids and transfer to an SWD. If at any point produced water is released onto the ground



BLM representative would be notified. Soil samples will be taken and any necessary remediation will be performed.

7. Bosque Systems/Point of Contact

7.1. Project Team

NAME	ROLE/TITLE	PHONE	EMAIL
Casey Summers	Project Manager	575-430-7970	casey.summers@bosquesystems.com
Nathan Howard	HSE Safety	325-627-3066	nathan.howard@bosquesystems.com
Wayne Cook	Water Testing	432-208-1834	wayne.cook@bosquesystems.com
David McNair	Tank Operations	325-338-9221	david.mcnair@bosquesystems.com

7.2. Contact for Escalation of Issues I Concerns

Phillip Boren, VP Operations, 405-568-8313, phillip.boren@bosguesystems.com



8. Appendices

Appendix 1: Map, All

Appendix 2: Equipment Layout

Appendix 3: Risk Management Register

Appendix 4: BAT Tank Data

Appendix 5: Tank Liner Data

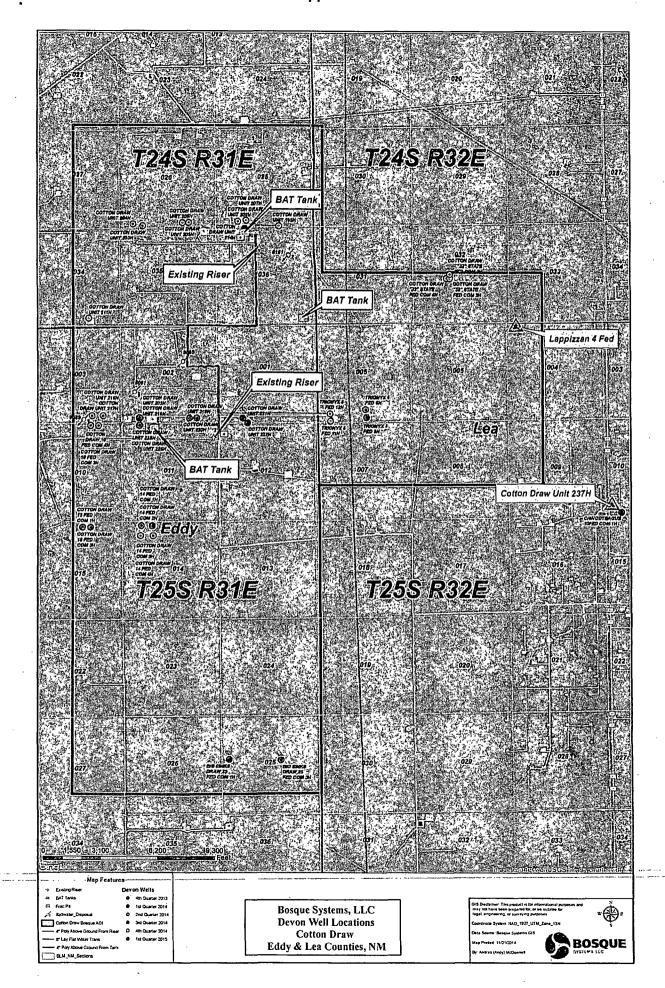
Appendix 6: Containment Liner Data

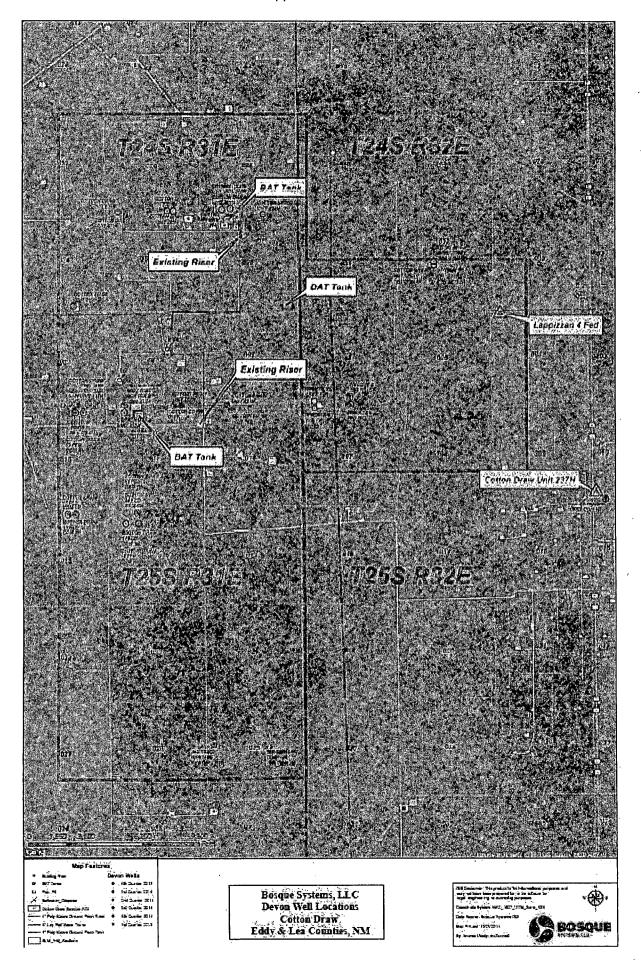
Appendix 7: Containment Berm Data

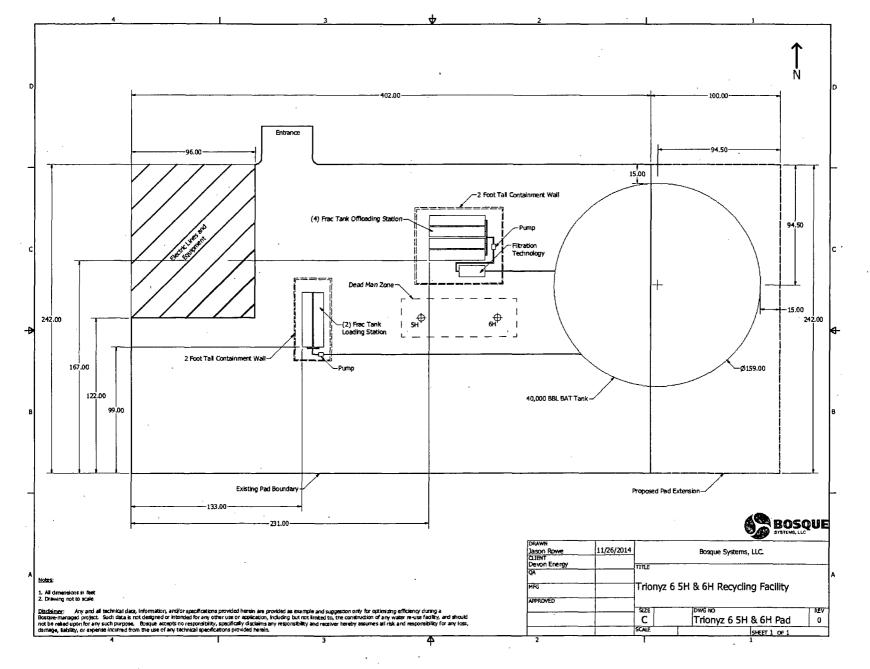
Appendix & Lab Reports

Appendix 9: Water Reuse SOP

Appendix 10 CDU Well List







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		& BOSQUE
	DRAWN	SYSTEMS, LLC
	DRAWN Jason Rowe 11/26/2014 CLIENT Devon Energy GA TI	Basque Systems, LLC.
	Notes: 1. All dimensions in feet	AT Tank Dimensions
	Declarate: Any and all technical data, information, analyor specifications provided herein are provided as example and suggestion only for optimizing efficiency during a Bosque-managed project. Such data is not designed or intended for any other use or application, including but not limited to, the construction of any water several for the project of the project o	омо но приот но приот на прис
	assumes all risk and responsibility for any loss, damage, liability, or expense incurred from the use of any technical specifications provided herein. 50 4 2	SHEET 2 OF 2



raject 40070: Devon / New Mexico "Catton Dr

Appendix:

Bosque Systems, LLC. Risk Register

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Fall Protection / SOP Transmark Plan Including Medimo: Transmark Plan Including Medimo: Transmark Plan Including Medimo: Disciplinary Action, Replace Early Detection, Containment Treatment Plan Including Medimo: Early Detection, Containment Early Detection, Containment Standard Equipment on Site School of Equipment on Site School of Equipment on Site Early Detection, Containment Early Detection, Containment Standard Plan Including Medimo: Treatment Plan Including Medimo: Som fil, Early Detection, Containment Store fil, Early Detection, Containment Treatment Plan Including Medimo:	Fall Protection / SOP	Risk Contemporary Plan
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Print Date: 3/4/2014, Page 1 of 1

1

BLM LEASE NUMBER: NMLC061863A

COMPANY NAME: Devon Energy Production Co.

ASSOCIATED WELL NAME: Trionyx 6 Fed 5H and 6H Surface Pipeline

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES (Pipelines from Pond to Pond and from Existing Pipeline Risers to Pond)

A copy of the application (Sundry Notice) 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's activity 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. The surface pipeline must be installed no farther than 10 feet from the edge of the road. 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 under all roads, "two-tracks," and trails. 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.
- 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. The surface pipelines must be installed no farther than 10 feet from the edge of the road. All construction and maintenance activity will be confined to existing roads or right-of-ways.
 - b. <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.

c. Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present.

BLM LEASE NUMBER: NMLC061863A

COMPANY NAME: Devon Energy Production Co.

ASSOCIATED WELL NAME: Trionyx 6 Fed 5H and 6H

PRODUCED WATER FRAC POND CONDITIONS OF APPROVAL

A copy of the application (Sundry Notice) and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval. Construction will cease until the permit is on location.

Holder agrees to comply with the following conditions of approval 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 permit.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
- 3. Required Standard Conditions of Approval:

a. Notification

Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.

b. Contamination

The operator will preclude releases of oil into open ponds. The operator must remove any accumulation of oil, condensate, or contaminant in a pond within 48 hours of discovery.

c. Authorized Disturbance

Confine all construction and maintenance activity to the approved authorized area applied for in the application.

d. Liner

The pond must have at least two 60 mil liners. The pond liner shall be maintained in good working condition, with no tears or holes, until the pond is closed. No trash, pipe, barrels, wireline, or metal equipment is permitted in the pond.

e. Freeboard

Ponds shall be constructed to preclude the accumulation of precipitation runoff and maintain a minimum of 2 feet of freeboard between the maximum fluid level and the lowest point of containment at all times. If pond fluids threaten to rise to a level allowing less than 2 feet of freeboard, steps shall immediately be taken to prevent introduction of additional fluids until sufficient pond capacity has been restored through fluid removal or an alternative containment method is approved and installed.

f. Exclosure Netting

The operator will prevent humans, wildlife (including avian wildlife), and livestock access to fluid ponds that contain or have potential to contain salinity

sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will install approved netting over ponds containing fluid in accordance with the requirements below. (Note: The BLM does not approve of the use of flagging, strobe lights, metal reflectors, or noise makers as techniques for deterring wildlife.)

Minimum Netting Requirements - The operator will:

- Construct a rigid structure made of steel tubing or wooden posts with cable strung across the pond at no more than seven (7) foot intervals along the X-and Y-axes to form a grid of 7 foot squares.
- Suspend netting a minimum of 2 feet above the fluid surface.
- Use a maximum netting mesh size of 1 ½ inches to exclude most birds.
- Cover the top and all sides of the netting support frame with netting and secure the netting at the ground surface around the entire pond to prevent wildlife entry at the netting edges. (Note: Hog wire panels or other wire mesh panels or fencing used on the sides of the netting support frame is ineffective in excluding small wildlife and birds unless covered by the smaller mesh netting.)
- Installation of the net must commence immediately after high activity operations cease. High activity operations include drilling operations and fracturing operations.
- Monitor and maintain the netting sufficiently to ensure the netting is functioning as intended, has not entrapped wildlife, and is free of holes and gaps greater than 1½ inches.
- Flagging or tags must be installed on the net in the center of the pond.

g. Mineral Material from Excavation

If an earthen pond: Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.

h. Reclamation Start

I. Reclamation efforts will commence 12 months from the time the sundry is approved. All equipment associated with the project must be removed.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, 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 holder of any responsibility as provided herein.

- 5. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf 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 actions to prevent the loss of significant 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.
- 6. 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, pads, associated pipeline 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.

7. Special Stipulations:

Monitor:

Personnel or a monitor must be onsite when the pond is in use.

Lesser Prairie-Chicken:

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.

BLM LEASE NUMBER: NMLC061863A

COMPANY NAME: Devon Energy Production Co.

ASSOCIATED WELL NAME: Trionyx 6 Fed 5H and 6H Surface Pipeline

Temporary Produced Water CONDITIONS OF APPROVAL (Pipelines from Pond to Wells)

Pipelines must follow within 10 feet of existing oil and gas roads. The maps in the application are general routes and do not depict the specific route. The applicant must get like approval from the state. The applicant is responsible for cleanup of any spills. The primary objective is to not allow produced water to reach the ground.

Maintain a copy of your temporary permit and your approved route diagram on location during installation and operations. BLM personnel may request to see a copy of your permit during installation or operations to ensure compliance with all conditions of approval. The project will cease until the permit is on location.

Holder agrees to comply with the following conditions of approval 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 permit.

2. Standard Conditions of Approval:

- Pipelines must be removed within 30-45 days from this route.
- Pipelines and all connection points must be leak proof. The company must prevent any amount of produced water from reaching the ground. Small drips are not allowed to touch the ground.
- Pipelines and all connection points must be pressure-tested with freshwater prior to use with produced water.
- Pipelines flowing from the frac water holding area to the target well(s) will be laid along existing oil and gas maintained roads (within 5 to 10 feet of roadway).
- Areas impacted (disturbed greater than vegetation compaction) by your project will require full reclamation.
- Pipelines will be empty before disassembly. Freshwater must be flowed through the pipeline to removal all the produced water prior to disassembly. Flow water back to the designated holding area.
- Do not restrict traffic on existing roads. Place ramps where needed on existing access roads.
- Pipe will be placed not farther than 5 to 10 feet off the edge of existing oil and gas maintained roads or other maintained roads.
- All pumps and other equipment must be placed on existing surfaced areas (pads, roads, etc.).
- All equipment associated with transporting produced water must be leak proof.

- The produced water lines and equipment would need to be checked and monitored continuously to ensure a leak is not occurring. If a leak is discovered (no matter how small), it must be corrected immediately, even if it would require ceasing the fracturing operation. Non-earthen secondary containments should be put in place if a small leak occurs.
- Any spills or leaks of produced water would need to be reported as soon as
 possibly known to the authorized officer. Any spills would need to be addressed
 as quickly as possible, and reclamation of the disturbance will need to be
 discussed with the authorized officer.
- 3. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf 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.

4. Special Stipulations:

• Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including fracturing operations 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 installation will be allowed except between 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted. Exhaust noise from engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.