Form 3160-5 (June 2015)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5. Lease Serial No. NMLC029509A

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter and BBS abandoned well. Use form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on page 2 SUBMIT IN TRIPLICATE - Other instructions on page 2					NMLC029509A If Indian, Allottee or Tribe Name			
SUBMIT IN TRIPLICATE - Other instructions on page 2 SEP 1 1 2017					9. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well ☐ Oil Well ☐ Gas Well ☑ Other: UNKNOWN OTH 2. Name of Operator / Contact: JEFFREY KAUSER					8. Well Name and No. BAISH A 14			
2. Name of Operator Contact: JEFFREY KAUSER CONOCOPHILLIPS COMPANY E-Mail: jeffrey.kauser@conocophillips.com					9. API Well No. 30-025-30363			
3a. Address 3300 N "A" ST. BLDG 6 MIDLAND, TX 79705					10. Field and Pool or Exploratory Area BAISH			
4. Location of Well (Footage, Sec., T. Sec 22 T17S R32E	11. County or Parish, State LEA COUNTY, NM							
12. CHECK THE AP	PROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE,	REPORT, OR OTH	ER D	ATA	
TYPE OF SUBMISSION TYPE OF ACTION								
Notice of Intent ■ Notice of Intent	☐ Acidize	□ Dee	☐ Deepen		☐ Production (Start/Resume)		■ Water Shut-Off	
	□ Alter Casing	☐ Hyd	☐ Hydraulic Fracturing		☐ Reclamation		■ Well Integrity	
☐ Subsequent Report	□ Casing Repair	□ New	☐ New Construction ☐ Recomplete		lete	Other		
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug	and Abandon	☐ Tempora	☐ Temporarily Abandon			
	□ Convert to Injection	Plug	g Back		isposal			
If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. 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 determined that the site is ready for final inspection. ConocoPhillips Company requests permission to lay a water transfer line from the Baish A battery to Baish B battery. The new line will be laid on the surface starting at the Baish A (Sec 21, T17S, R32E) and continue along existing disturbance to the Baish B (Sec 22, T17S, R32E) as shown on the attached aerial. The line will cross the road through an existing road bore. The line will be a 2" surface poly line transferring water at a rate of 35 psi for a total length of 5,319 ft.								
Approved. CCR. 08/28/2017. Stipulations attached								
14. I hereby certify that the foregoing is true and correct. Electronic Submission #381840 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 07/24/2017 ()								
Name(Printed/Typed) JEFFREY KAUSER			Title SURFACE LANDMAN					
Signature (Electronic Submission)			Date 07/19/2017					
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE US	SE			
Approved By Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.			Title V		ELD MANAGER BAD FIELD OFFICE		Date 30/17	
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s				willfully to ma	ke to any department or a	gency	of the United	

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



BLM LEASE NUMBER: NMLC029509A COMPANY NAME: Conoco Phillips Company ASSOCIATED WELL NAME: Baish A 14

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review 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. 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. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 et seq. (1982) with regard 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 in particular, 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. 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 provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.
- 4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. 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 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 Holder, regardless of fault. Upon failure of 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/she 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 Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.
- 6. All construction and maintenance activity shall be confined to the authorized right-of-way width of <u>20</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall 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 shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.
- 7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.
- 8. 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 shall be "snaked" around hummocks and dunes rather than 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 shall 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.