

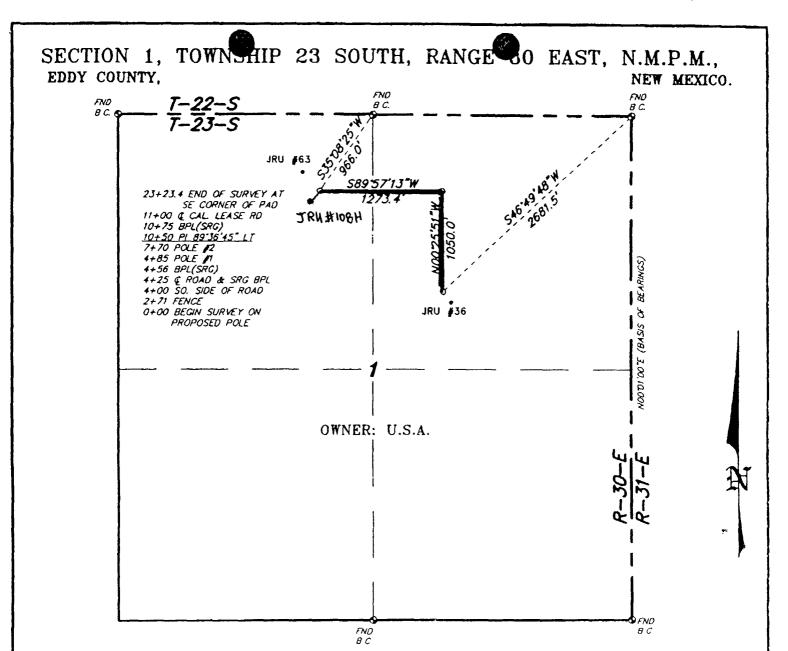
UNITEDSTATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORMA:	PPROVED
OM B No	1004-0137
Expires	March 31, 2007

5	Lease	Serial	No

SUNDRY NOTICES AND REPORTS ON WELLS				NM 02884A			
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.					"RECEIVED		
SUBMIT IN TRIPLICATE - Other instructions on reverse side					/AgreemanNamLan2010vo		
1 Type of Well X Oil Well	Gas Well Other			8 Well Name a	NMOCD ARTESIA		
2 NameofOperator				James Ran	ich Unit 108H		
BOPCO, L P				9 API Well No			
3a Address 3b PhoneNo (include area code)				30-015-37273			
P O Box 2760 Midland TX 79702 (432)683-2277			22//	10 Field and Pool, or Exploratory Area			
4 Location of Well (Footage, Sec, T, R, M, or Survey Description)					Quahada Ridge (Delaware)		
SHL. UL C, Sec 1, T23S, R30E, 940' FNL, 2080' FWL, Lat N32.33873, Long W103 83622 BHL. UL D, Sec 2, T23S, R30E, 660' FNL, 990' FWL, Lat				11 County or Parish, State Eddy NM			
N32.33955 Long-W103 8	35708						
12 CHECK AF	35708 PROPRIATE BOX(ES)TO INDICATI	E NAT	URE OF NOTICE, R	EPORT, OR OT	THER DATA		
TYPEOF SUBMISSION		Τ	YPEOF ACTION				
	Acidize Deepen			./"> \	W. dt. OCC		
X Notice of Intent			Production (Sta	irt/Resume) [Water Shut-Off		
			Reclamation		Well Integrity		
Subsequent Report	Casing Repair X New Cor			. 🔼	Other Flowline		
Final Abandonment Notice	Change Plans Plug and				construction		
	Convert to Injection PlugBac	k	Water Disposal				
BOPCO, L.P respectfull JRU #36 battery. The flo along the same route as The line will be approxim	nal Abandonment Notices shall be filed only after final inspection) y requests permission to lay a 2-wline will contain a full well-streathe power line to where the pownately 2523.40'. This area has also inating the costs of building a containing the costs of building a containing the costs.	7/8" s im at a er line	steel J-55 tubing flo a line pressure of a e makes its tie in a en previously arch	ow-line from t approximately nd turn east,	he JRU #108H to the / 100 psi. The line will run then south to the battery		
14 I hereby certify that the foreg	going is true and correct						
Name (Printed/Typed)		1					
Valerie Truax		Title	Regulatory Adm	in Assistant			
Signature Molecu	Sway	Date	12/01/2009				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved by /s/ D	on Peterson		Title	Date	JAN 0 8 2010		
Conditions of approval, if any, are	attached Approval of this notice does not war I or equitable title to those rights in the subject to conduct operations thereon		Office RLM-CA!	RLSBAD F	TELD OFFICE		

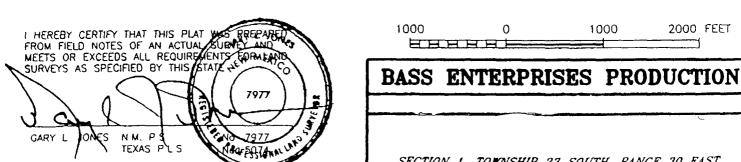
Title 18 U S C Section 1001 and Title 43 U S C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction



LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, LOCATED IN SECTION 1, TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM, EDDY COUNTY. NEW MEXICO AND BEING 25.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY

2323 4 FEET = 0 44 MILES



SECTION 1, TOWNSHIP 23 SOUTH, RANGE 30 EAST,

2000 FEET

BLM LEASE NUMBER: NM 02884A COMPANY NAME: BOPCO L. P. WELL NO. & NAME: James Ranch Unit 108H

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the grant 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.

- Activities of other parties including, but not limited to: b. (1) Land clearing. (2) Earth-disturbing and earth-moving work. (3) Blasting. (4) Vandalism and sabotage. Acts of God. c. 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 25 feet. 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, "twotracks," 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. Special Requirements for Cave/Karst:

The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, passages, or voids are intersected by trenching, and no pipe will be laid in the trench at that point until clearance has been issued by the Authorized Officer. Special restoration stipulations or realignment may be required at such intersections, if any. Leak detection systems, back flow eliminators, and differential pressure shut-off valves will be required to minimize the impacts of leaking or ruptured pipelines. To eliminate these extreme possibilities, good record keeping is needed to quickly identify leaks for their immediate and proper treatment.

(March 1989)