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Form 3160-5 (August 2007) UNITED STATES OCD-ARTESIA 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 abandoned well. Use Form 3160-3 (APD) for such proposals.			• 0	FORM APPROVED OMB No 1004-0137 Expires July 31, 2010	
			5. Lease Serial No. SL: NM0560355	5. Lease Serial No.	
				6. If Indian, Allottee or Tribe Name	
	IT IN TRIPLICATE – Other instruct	7. If Unit of CA/Agree	7. If Unit of CA/Agreement, Name and/or No.		
1. Type of Well Oil Well Gas	Well Other	8. Well Name and No.			
2 Name of Operator			HELIOS 6 FED C 9. API Well No. 30-015-38483	COM 2H	
DEVON ÉNERGY PRODUCTION COMPANY LP				10. Field and Pool or Exploratory Area	
PO BOX 250, ARTESIA, NM 88211 575-748-3371			·	HACKBERRY; BONE SPRING, NO.	
4. Location of Well (Footage, Sec, T.,R.,M., or Survey Description)				11. Country or Parish, State	
340' FSL & 1955' FEL, SEC 6, T19S, R31E ЦС 6			EDDY COUNTY,	EDDY COUNTY, NM	
12. CHE	CK THE APPROPRIATE BOX(ES) T	O INDICATE NATURE	OF NOTICE, REPORT OR OTH	ER DATA	
TYPE OF SUBMISSION		ТҮР	E OF ACTION		
Notice of Intent	Acıdize	Deepen	Production (Start/Resume)	Water Shut-Off	
	Alter Casing	Fracture Treat	Reclamation	Well Integrity	
Subsequent Report	Casing Repair	New Construction Plug and Abandon	Recomplete Temporarily Abandon	Other	
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal		
·	Acc	cepted for rec NMOCD 8-	cord	PECEIVED AUG 18 2011 CD ARTESIA	
14 I hereby certify that the foregoing is	s true and correct Name (Printed/Typed)	· · · · · · · · · · · · · · · · · · ·	-		
DENISE MENOUD; 575-746-554	14	Title FIELD TE	СН		
Signature A. Merr	oud.	Date 6/30/201	1	at and	
	THIS SPACE FOR	FEDERAL OR ST	TE OFFICE USE		
Approved by /s/ Don F	Peterson		IELD MANAGER	AUG 1 2 2011	
Conditions of approval, if any, are attack that the applicant holds legal or equitabl entitle the applicant to conduct operation	ned. Approval of this notice does not war e title to those rights in the subject lease v is thereon		SBAD FIELD OFFICE	Date	
	13 U.S.C. Section 1212, make it a crime for presentations as to any matter within its ju		d willfully to make to any departme	nt or agency of the United States any false,	
(Instructions on page 2)					
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Lease #: NM-0560355 Devon Energy Production Company, LP Helios 6 Fed Com 2H – <u>Buried Pipeline</u>

BURIED PIPELINE STIPULATIONS

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A copy of the 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, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to 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. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil 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 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 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. All construction and maintenance activity will be confined to the authorized right-of-way.
 - a. Temporary use of a 25' ROW is authorized. This includes truck travel along corridor and movement of other wheeled vehicles in the work area.

6. The pipeline will be buried with a minimum cover of **36** inches between the top of the pipe and ground level.

7. Blading of all vegetation will be allowed: maximum width of these operations will not exceed 10 feet. Blading is defined as the complete removal of brush and ground vegetation.

Clearing is allowed, maximum width of these operations, (includes bladed width in total allowance) will not exceed 20 feet. Clearing defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.

Maximum combined width of blading and clearing operations will not exceed 20 feet.

8. 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.

9. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in row, piles, or berms, unless otherwise approved by the Authorized Officer. A berm will be left over the ditch line to allow for settling back to grade.

10. 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.

11. The nolder will reseed. Seeding will be done according to the attached seeding requirements, using the following seed mix:

Lesser Prairie-Chicken Seed Mix

12. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.

13. The pipeline will be identified by signs at the point of origin and completion of the right-ofway and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and 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 resources (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 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.

16. Special Stipulations:

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling 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 involvé human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am.





<u>Recreation – Hackberry Lake Special Recreation Management Area (SRMA)</u> Increased vehicle and heavy equipment travel in the immediate area of the Special Recreation Management Area (SRMA) can pose a risk to Off-Highway Vehicle (OHV) operators. Production facilities and associated infrastructure such as new roads, power lines and pipelines can interrupt approved use of designated recreation trails. Changes to the existing recreational environment could create unanticipated obstacles to OHV users. Obstacles may include, but are not limited to: placement of lines on the surface (temporary or permanent); unfilled trenches/holes; construction equipment, materials and debris. During site development, daily changes to the recreation environment may occur, creating potential hazards for OHV operators.

Mitigation Measures - Recreation

Pipelines shall be buried 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. Upon completion of construction, the road shall be returned to preconstruction condition with no bamps or dips. All vehicle and equipment operators will observe speed limits and practice responsible defensive driving habits.

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