omerly 1.3.1 DEPARTMENT OF THE INTE	NT Drawer DD	_ NM-3619	4
SUNDRY NOTICES AND REPORTS (1)6 the form for proposals to drill or to deepen or pluse "APPLICATION FOR PERMIT." for suc	ON WELLS	" IF INDIAN, AL	LOTTRE OR TRIBE
Use "APPLICATION FOR PERMIT FOR SUC	RECEIVED BY	7. UNET AGREEM	SKAN THE
WELL WELL OTHER NAME OF OPERATOR	· · · · · · · · · · · · · · · · · · ·	R. PARM OR LEA	SE NAME
McKay Oil Corporation \'	OCT 21 1986	South Fou	r Mile Draw
P.O. Box 2014, Roswell, New Mexico 8820	O. C. D. ny Statek Mindishempenini™ (≒	10. PIRLD AND I	POOL OR WILDCAT
See also space 17 below.) At surface 1413 FWL & 1166 FNL		W. Pecos Slope Abo	
		Sec. 24-	-6S-22E
4. PERMIT NO. 15 ELEVATIONS (Show whethe	r DF, RT, GR, etc.)	12. COUNTY OR Chaves	PARISH 13. STATE
Check Appropriate Box To Indicate	e Nature of Notice, Report, or	Other Data	
NOTICE OF INTENTION TO:	SCBS	EQUENT REPORT OF:	
TEST WATER SHUT OFF PULL OR ALTER CASING	WATER SHUT-OFF	· ;	AIRING WELL
FRACTURE TREAT MULTIPLE COMPLETE SHOOT OR ACIDIZE ABANION*	FRACTURE TREATMENT SHOUTING OR ACIDIZING	 -1	TERING CASING
			1
Other: Pipeline Connection X DESCRIBE BE CONFIDENCE OF COMPLETES OF CRATTORS (Charly state all pert proposed work. If well is directionally drilled, give subsurface nent to this work.)* Operator proposes to lay a 2" steel pipe 12" in loamy areas along the route shown	inent details, and give pertinent da locations and measured and true ver	tical depths for all	Log form.) ated date of starti markers and zones
Other: Pipeline Connection x Describe the door on complete orenations (Clearly state all pert proposed work. If well is directionally drilled, give subsurface nent to this work.) Operator proposes to lay a 2" steel pipe	Nors: Report rest Completion or Reco inent details, and give pertinent da locations and measured and true ver	upletion Report and tes. including estima- tical depths for all	Log form.) ated date of starti markers and zones
Other Pipeline Connection x 7. DESCRIBE THE CONFIDENCE OF EACH OF EAC	Nors: Report rest Completion or Reco inent details, and give pertinent da locations and measured and true ver	upletion Report and tes. including estima- tical depths for all	Log form.) ated date of starti markers and zones

Title 18 U.S.C. Section 1901, makes it a crime for any person knowingly and willfully to make to any department or agency of the

*See Instructions on Reverse Side

BLM Serial Number NM-36194
Company Reference #3 S. Four Mi. Draw Fed.
pipeline Sundry Notice

BURIED PIPELINE STIPULATIONS FOR THE ROSWELL DISTRICT, BLM

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The pipeline will be buried as described below where soil conditions allow for burial.

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. 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.
- 3. All construction and maintenance activity will be confined to the authorized right-of-way.
- 4. The pipeline will be buried with a minimum cover of 12 inches between the top of the pipe and ground level.
- 5. Blading of all vegetation (WXXXX) (will not) be allowed. Blading is defined as the complete removal of brush and ground vegetation. Clearing of brush species will be allowed. Clearing is 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. In areas where blading and/or clearing is allowed, maximum width of these operations will not exceed ______ feet.
- 6. 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.
- 7. 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 rows, piles, or berms, unless otherwise approved by the Authorized Officer. A berm will be left over the ditchline to allow for settling back to grade.

(over)

- 8. In those areas where erosion control structures are required to stabilize soil conditions, the grantee will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 9. Grantee WKKKK (will not) reseed. If reseeding is required, it will be done according to the attached seeding requirements, using the following seed mix.

seed mixture 1	seed mixture 3
seed mixture 2	seed mixture 4

- 10. 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 a color which simulates "Standard Environmental Colors" Carlsbad Canyon, Munsell Soil Color No. 2.5Y 6/2 (formerly Sandstone Brown); designated by the Rocky Mountain Five State Interagency Committee.
- 11. 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. 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.
- 12. 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.
- 13. Special Stipulations:

BLM Serial Number NM-36194
Company Reference #3 S. Four Mi. Draw Fed. pipeline Sundry

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES IN THE ROSWELL DISTRICT, BLM

These apply to the portion of the pipeline installed on the surface. (The pipeline will be buried where soil conditions allow for burial.)

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 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.

3. 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.

- 4. All construction and maintenance activity will be confined to the authorized right-of-way width of 15 feet.
- 5. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.
- 6. 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 or duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.
- 7. The pipeline shall be buried with a minimum of 24 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.
- 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. 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.
- 10. Excluding the pipe, 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 a color which simulates "Standard Environmental Colors" Carlsbad Canyon, Munsell Soil Color No. 2.5Y 6/2 (formerly Sandstone Brown); designated by the Rocky Mountain Five State Interagency Committee.
- 11. 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.
- 12. 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.
- 13. Special stipulations: All above ground portions of the pipeline will be painted as specified under stipulation no. 10.