Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CHANDY NOTICES AND DEPORTS ON WELLS

FORM APPROVED			
OMB NO. 1004-0135			
Expires: November 30, 2000			

5. Lease Serial No.

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Do not use this form for proposals to drill or to re-enter an					Allottee or Tribe Name
abandoned well. Use Fon					
SUBMIT IN TRIPLICATE - Other instructions on reverse side					CA/Agreement, Name and/or Not AC Com
1. Type of Well Oil Well X Gas Well Other					e and No.
2. Name of Operator OXY USA WTP Limited Partnership			AHIESIA	9. API Well	No.
3a. Address		3b. Phone No. (include ar	rea code)	30-015-32	655
P.O. Box 50250, Midland, TX 79710-	0250	432-685-5717			Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey I	Description)			Burton F1	
660 FSL 660 FEL SESE(P) Sec 15 T20	S R28F				
000 101 000 111 0101(1) 000 10 110	0 1402			11. County o	r Parish, State
				Eddy	NMNM_
12. CHECK APPROPRIATE	BOX(ES) TO INC	DICATE NATURE OF	NOTICE, REP	ORT, OR OT	HER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off
	Alter Casing	Fracture Treat	Reclamati	on	Well Integrity
Subsequent Report	Casing Repair	New Construction	Recomple	te	X Other Off Lease
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporari	ly Abandon	<u>Gas Measurement -</u>
	Convert to Injection	on Plug Back	Water Dis	oosal	Gas Sales Line

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

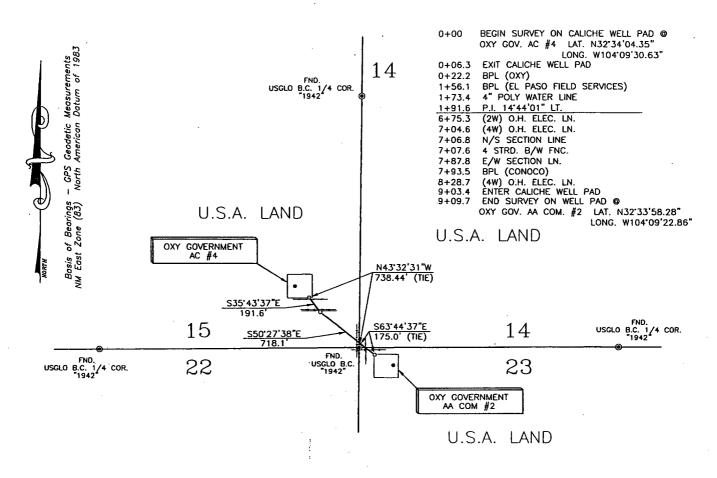
OXY proposes to install a 4" OD SDR7 (133#) poly line. The LP gas line will be buried approximately 2' deep and will run approximately 1200' southeast from the well location in Sec 15 to the Government AA #2 facility located in Sec 23. This line will be tied into a Duke Energy Field Services LP gas line.

See attached for copies of the following:

- 1. Plat proposed pipeline
- 2. Arch survey
- 3. Approved ROW
- 4. Facility Diagrams

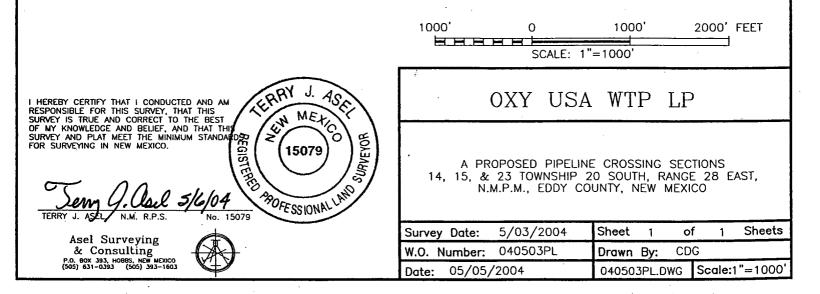
Title						
	Sr. Regulatory Analyst					
Date	212105					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Title		Date				
ont or Office lease						
	Date Title	Sr. Regulatory Analyst Date 7/2/05 AL OR STATE OFFICE USE Title	Sr. Regulatory Analyst Date 7/2/05 AL OR STATE OFFICE USE Title Date			

SECTIONS 14, 15 & 23, JWNSHIP 20 SOUTH, RAN . 28 EAST, N.M.P.M., EDDY COUNTY NEW MEXICO



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 909.7 FEET OR 0.172 MILES IN LENGTH AND BEING 25.0 FEET LEFT OF AND 25.0 FEET RIGHT OF THE ABOVE CENTERLINE SURVEY.



TITLE PAGE/ABSTRACT/ NEGATIVE SITE REPORT

1/03

CFO/RFO

1. BLM Report No.		2. Reviewer's Initials/Date 3.		3. NMCRIS No.: 90	3. NMCRIS No.: 90871	
		ACCEPTED () I	REJECTED ()			
4. Type of Report:	Nega	tive (X)	Positive ()			
5. Title of Report: Class III archaeological survey of a pipeline connecting the Oxy-						
Government "AA" Federal we	ell No. 2 to an	existing line.		6. Fieldwork D from 16 No		
Author(s): Ann Boone				7. Report Date	7. Report Date: 22 Nov. 2004	
8. Consultant Name & Addr	ess:		•	9. Cultural Res	9. Cultural Resource Permit No.	
Boone Archaeological	Services, LLC			BLM: 190-2	BLM: 190-2920-03-E	
2030 North Canal		•		ļ.	·	
Carlsbad, NM 88220				STATE: NM		
Direct Charge: Danny Bo	one			10. Consultant	Report No.	
Field Personnel Names: D	Danny Boone			BAS 11-04-1	13	
Phone: (505) 885-1352						
11. Customer Name: Oxy US.	A WTP LP			12. Customer P	roject No :	
Responsible Individual: Dusty	y Weaver	•		12. Customer 1	iojoct 140	
Address: 2028 Buffalo						
Leveland, Texas 793	336				,	
Phone: (806) 894-8307						
13. Land Status	BLM	STATE	PRIVATE	OTHER	TOTAL	
a. Area Surveyed (acres)	0.58 (+/-)	0	0	0	0.58 (-/+)	
b. Area of Effect (acres)	0.73	0	0	0	0.73	
14. a. Linear: Length; 252' (+/-) Width; 100'						
b. Block: N/A						
15. Location: (Maps Attached if Negative Survey)						
a. State: New Mexico						
b. County: Eddy						
c. BLM Office: Carlsbad						
d. Nearest City or Town: Carlsbad, NM						
e. Legal Location: T 20S, R 28E, Sec. 14, SE SW.						
f. Well Pad Footages: N/A						
g USGS 7.5 Man Name(s) and Code Number(s): ANGEL DRAW NM (Prov. Ed. 1085) 22104 E2						

16. Project Data:

a. Records Search: Date(s) of BLM File Review: 12 Nov. 2004

Name of Reviewer (s): Danny Boone

Date(s) of ARMS Data Review: 18 Nov. 2004

Name of Reviewer (s): Ann Boone

Findings (see Field Office requirements to determine area to be reviewed during records search):

LA 112642, 106512, 135001, 71161, 71162, and 87040 are within 1.0 mile.

b. Description of Undertaking:

The project begins at an existing pipeline and trends west and northwest crossing two overhead electric lines, one lease road, four buried pipelines and one surface poly pipeline to an existing pipeline. Approximately 60% of the the survey area has been impacted by previous construction projects. At least two of these have previous survey numbers, BLM No. 92-316 and 97-854. Survey acres were estimated on 252 feet in length by 100 feet in width. Impact acres were estimated on 632.4 feet in length by 50 feet in width. A plat is attached to this report.

c. Environmental Setting (NRCS soil designation; vegetative community; etc.):

Topography: Featurless gypsum plain of Burton Flat.

Vegetation: Approximately 30% overall groundcover consisting primarily of broom snakeweed, mesquite, various grasses and other flora.

NRCS: Reeves-Gypsum land-Cottonwood association: Loamy soils that are very shallow to moderately deep over gypsum beds, and Gypsum lands.

d. Field Methods: (transect intervals; crew size; time in field, etc.):

Transects: Paralled transects spaced up to 15 meters on each side of staked centerline.

Crew Size: One

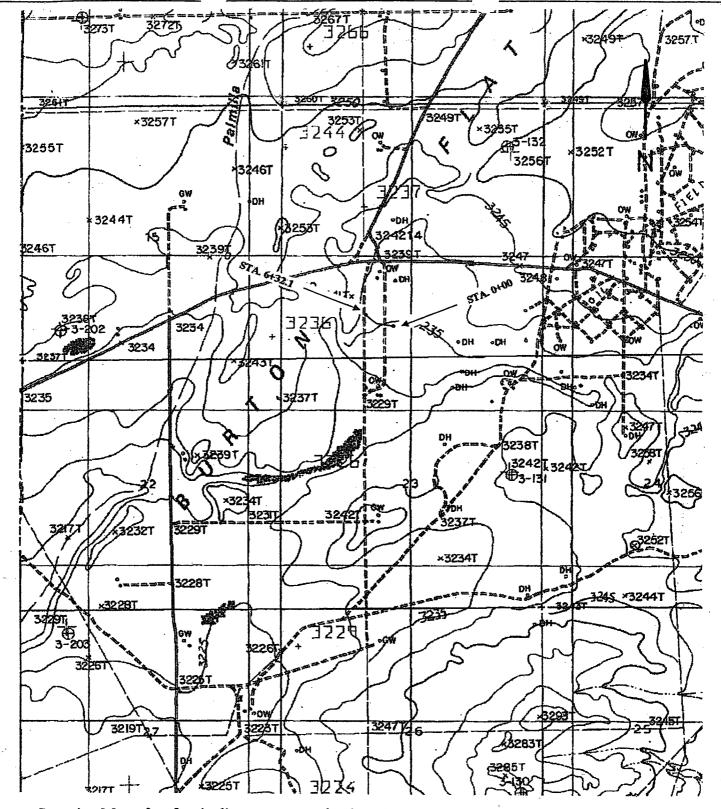
Time in Field: 0.5 hour.

e. Artifacts Collected (?): None

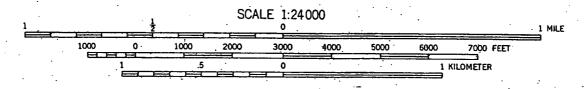
- 17. Cultural Resource Findings:
 - a. Identification and description: None
 - b. Evaluation of significance of Each Resource: None
- 18. Management Summary (Recommendations):

Archaeological clearance of a pipeline to connect the Oxy-Government "AA" Federal well No. 2 for Oxy U.S.A. WTP, LP as presently staked is recommended. If cultural resources are encountered at any time all activity should cease and the BLM Archaeologist notified immediately.

			curate and meets all appreciable BLM standards.
Responsible Archaeologist	Man	Grone-	-22 Mar. 2004
	Signature		Date



Location Map of a of a pipeline to connect the Oxy-Government "AA" Federal well No. 2 to an existing line for Oxy U.S.A. WTP, LP in Section 14, T 20S, R 28E, NMPM, Eddy County, NM. Map Reference: USGS 7.5' Series; ANGEL DRAW, NM (Prov. Ed. 1985) 32104-E2



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

SERIAL NUMBER: NM-111342

- A right-of-way is hereby granted pursuant to Section 28 of the Mineral Leasing Ada amended (30 U.S.C. 185) and .
- 2. Nature of Interest:
 - a. By this instrument, the holder:

Oxy USA WTP Limited Partnership Right of Way Department PO BOX 50250 Midland, TX 79710-0250

receives a right to construct, operate, maintain, and terminate (2) 4-inch buried steel gas pipelines, (1) 4-inch buried poly gas pipeline, and (1) 4-inch buried poly produced water line on Federal lands described as follows:

T. 20 S., R. 28 E., NMPM Sec. 14: SW'4SW'4; Sec. 15: SE'4SE'4; Sec. 23: NW'4NW'4.

The lands described above contain a total length of 0.172 miles.

- b. The right-of-way or permit area granted herein is 50 feet wide, 909.70 feet long and contains 1.044 acres, more or less. If a site type facility, the facility contains N/A acres.
- c. This instrument shall terminate on <u>June 29, 2034</u>, 30 years from its effective date unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.
- d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.
- e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

- a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2880.
- b. Upon grant termination by the authorized officer, all improvements shall be removed from the Federal lands within 90 days, or otherwise disposed of as provided in paragraph (4)(c) or as directed by the authorized officer.
- c. The stipulations, plans, maps, or designs set forth in Exhibits A, B, & C, dated May 27, 2004, attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.
- d. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.
- e. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

(Signature of Holder)

Afforney - In - Fact
(Title)

(Date)

(Signature of Authorized Officer)

Leslie A. Theiss, Field Manager

(Title)

(Effective Date of Grant)

EXHIBIT A: May 27, 2004

BLM Serial Number: NM-111342 Company reference: Oxy Govt. AA Com. #2

BURIED PIPELINE STIPULATIONS FOR THE CARLSBAD FIELD OFFICE, BLM

A copy of the grant and attachments, including stipulations and map, will be on location during construction. BLM personnel may request to view a copy of your permit during construction to ensure compliance with all stipulations.

The holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer, BLM.

- 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 U.S.C. 2601, et. seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this 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 the right-of-way holder's activity 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, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil of 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 to Federal lands resulting there from, the Authorized Officer may take such measures as deemed necessary to control and cleanup 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 liability or responsibility.

- 5. The holder shall conduct all activities associated with the construction, operation, and termination of the right-of-way within the authorized limits of the right-of-way.
- 6. The pipeline will be buried with a minimum cover of <u>36</u> inches between the top of the pipe and ground level.
- 7. **Blading of all vegetation will 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, the maximum width of these operations will not exceed _40_ feet.
- 8. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence will 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, drilling, or maintenance activity will be randomly scattered over the project area and will not be left in rows, 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 shall install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound management practices. Any earth work will require prior approval by the Authorized Office
- 11. The holder shall reseed all surface disturbed by construction activities. If reseeding is required, it will be done according the attached seeding requirements (Exhibit B), using seed mixture (1*2*3*4) for Gypsum sites.
- 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 a color that simulates "Standard Environmental Colors" designated by the Rocky Mountain Five-State Interagency Committee. The color selected for this project is <u>Carlsbad Canyon</u>, Munsell Soil Color Chart Number 2.5Y 6/2.

- 13. The holder shall post signs designating the BLM serial number assigned to this right-of-way grant at the following locations: the points of origin and completion, or entry to and exit from public lands, of the right-of-way and at all major road crossings. These signs will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the term of the right-of-way.
- 14. The holder shall not use the right-of-way as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder shall take whatever steps are necessary to ensure that the right-of-way 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 the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the Authorized Officer will make any decision as to the proper mitigation measures after consulting with the holder.
- 16. The period of time that any trenches or other excavations are kept open will be held to the minimum compatible with construction requirements. The holder shall not leave more than one-half mile of trench open overnight or otherwise unattended. Open trenches will have ramps, bridges, or earthen plugs, at least six feet wide, ever one-quarter mile to pass livestock and wildlife.
- 17. The area will be kept free of the following plant species: Malta starthistle, African rue, Scotch thistle, and saltcedar.

Special Stipulations:

The BLM, Carlsbad Field Office, will be informed immediately if the trench intersects any subsurface drainage channels, passages, or voids, and no pipe will be laid in the trench at that point until the Authorized Officer has issued clearance. Special restoration stipulations or realignment may be required at such intersections, if any.

The Carlsbad Field Office welding stipulations are attached as Exhibit A-1.

Exhibit A-1 NM-111342 May 27, 2004

Welding Stipulations

The following precautions will be taken for all arc and/or gas welding operations, and operations where oxy-acetylene cutting and brazing are done in a wildland fire environment.

- 1. At the work site, clear away all flammable vegetation down to mineral soil for a minimum radius of 6 feet around where the welding/cutting will take place. This includes grasses and other vegetative material.
- 2. While conducting the welding/cutting operations, the operator will have within 25 feet of the welding/cutting site:

Five (5) gallons of water and/or;
A five (5) pound multi-purpose dry fire extinguisher and a round point shovel.

3. After welding/cutting activities are completed, a routine return to the site will be required within 1 hour after the completion of the activity to check for any potential hot material that may start a wildland fire.

Operators and contractors are reminded that they may be held responsible for any wildland fire that starts from welding/cutting operations. This includes all cost for suppressing any wildland fire that starts from these activities.

EXHIBIT B May 27, 2004

BLM Serial No.: NM-111342 Company Reference: Oxy Govt. AA Com. #2

Seed Mixture 4, for Gypsum Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

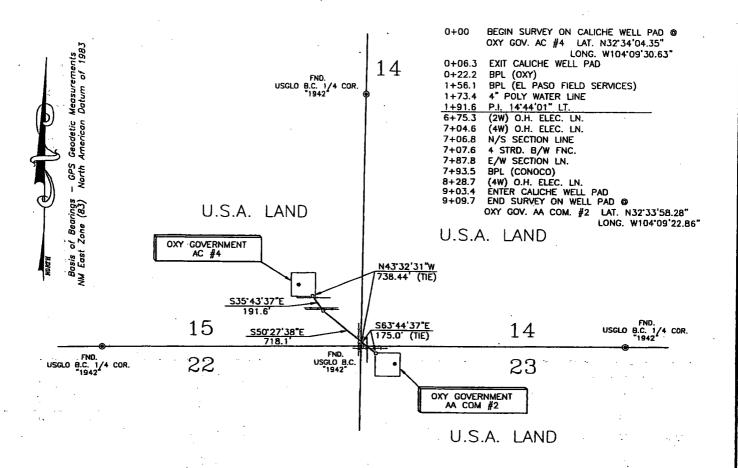
Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	lb/acre
Alkali Sacaton (<i>Sporobolus airoides</i>)	1.0
DWS~ Four-wing saltbush (<i>Atriplex canescens</i>)	5.0

~DWS: De-Winged Seed *Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

SECTIONS 14, 15 & 23, WINSHIP 20 SOUTH, RANG 28 EAST, N.M.P.M., EDDY COUNTY



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 909.7 FEET OR 0.172 MILES IN LENGTH AND BEING 25.0 FEET LEFT OF AND 25.0 FEET RIGHT OF THE ABOVE CENTERLINE SURVEY.

