

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 27 2014

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill on a new or abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC068282B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
CONOCOPHILLIPS COMPANY

3a. Address
600 N DAIRY ASHFORD P10-4056 HOUSTON, TX 77079

3b. Phone No. (include area code)
(281)206-5282

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC 34 T26S R31E SWSW 250 FSL & 380 FWL

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
STAMPEDE FEDERAL WC COM 34 1H

9. API Well No.
30-015-42123

10. Field and Pool or Exploratory Area
WC-015 G-08 S263125P; WC

11. County or Parish, State
EDDY COUNTY NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleting 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.)

**REVISED. Please substitute for EC Transaction # 241359.

Accepted for record
NMOCD
5-27-2014

ConocoPhillips Company (COPC) respectfully requests approval to construct the Stampede Central Tank Battery and construct flow lines from the Stampede Federal WC 34 1H to the proposed Stampede Central Tank Battery.

A. Summary:

In February 2013, the Stampede Federal WC Com 34 1H was staked along with a single well facility. Given that the single well facility was to service only one well, it was requested that ConocoPhillips Company stake the facility on the well pad location. APD approval was received February 27, 2014 for a 450 feet by 350 feet location.

On December 17, 2013, 3 additional wells (planned to target deeper intervals) were staked on the same pad as the Stampede Federal WC Com 34 1H. During the staking it was requested that Stampede Federal WC Com 34 1H location be extended to accommodate the additional wells. A multi-well facility (Stampede Central Tank Battery) was staked ~1300' north of the drill pad. The proposed Stampede Central Tank battery will accommodate the Stampede Federal WC Com 34 1H and 3 future wells.

**Continued on attached page.

Only a 31' ROW is approved by BLM on 5-21-14

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
KRISTINA MICKENS

Title Sr. Regulatory Specialist

Signature *K. Mickens*

Date 05/14/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
Steve Caffey

FIELD MANAGER

May 22 2014

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.

Office CARLSBAD FIELD 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.

**** Additional remarks, continued....**

A. Proposed Stampede Central Tank Battery

- a. A new Central Tank Battery is needed to develop this area. The location of the proposed Stampede Central Tank Battery is in Section 27 & 34, T26S, R31E. **See Enclosed Location Layout.**
- b. The proposed tank battery pad is 350 feet by 350 feet.
- c. This well will be placed on oil production. The production equipment may include but not limited to oil and water tanks.
- d. There will be a 30' Communications Tower located on the Stampede Central Tank Battery location. **See Enclosed Diagrams.**

B. Stampede Federal WC COM 34 1H Pipeline

- a. Production will be through the Stampede Central Tank Battery. Produced fluid will utilize a utility corridor for installation of a line to the Stampede Central Tank Battery in which approximately 1395' of a new flow line will be constructed to the proposed Stampede Central Tank Battery. The enclosed pipeline survey plat shows new flow lines following lease road(s). The produced fluid line will be 4" Steel, buried, operated up to 1480# PSI, and within BLM specifications to the proposed Stampede Central Tank Battery. **See Enclosed Pipeline Map & Buried Pipe Diagram**
- b. The utility corridor will also be utilized for a 1,395', 2" Steel, buried gas supply line from the proposed Stampede Central Tank Battery back to the wellhead on the pad, operated up to 1100# psi, and within BLM specifications. **See Enclosed Pipeline Map & Buried Pipe Diagram.**
- c. The utility corridor for the pipeline will be in a 31' ROW. **See Enclosed Flow Line ROW Schematic and Buried Pipe Diagram.**

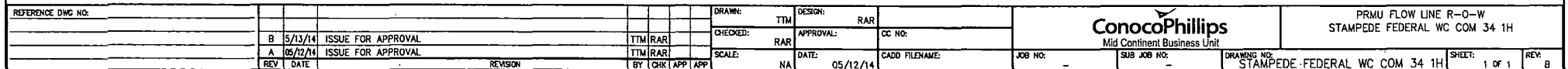
C. Reasons for the Sundry

- a. Reduced surface disturbance: By removing the single well facility from the Stampede Federal WC 34 1H well pad, COPC will be able to reclaim additional surface area.
- b. Reduced shut in time: Trucking of oil and water from the single facility would not be possible during drilling and completion of the 3 additional wells. The Stampede Federal WC Com 34 1H would subsequently be shut in for 5 to 6 months.
- c. Eliminates duplication of construction effort: Eventually the single well facility would be dismantled and the Stampede Federal WC Com 34 1H will be re-routed to the CTB. The removal and relocation of this facility is estimated to be very costly.

D. Schedule

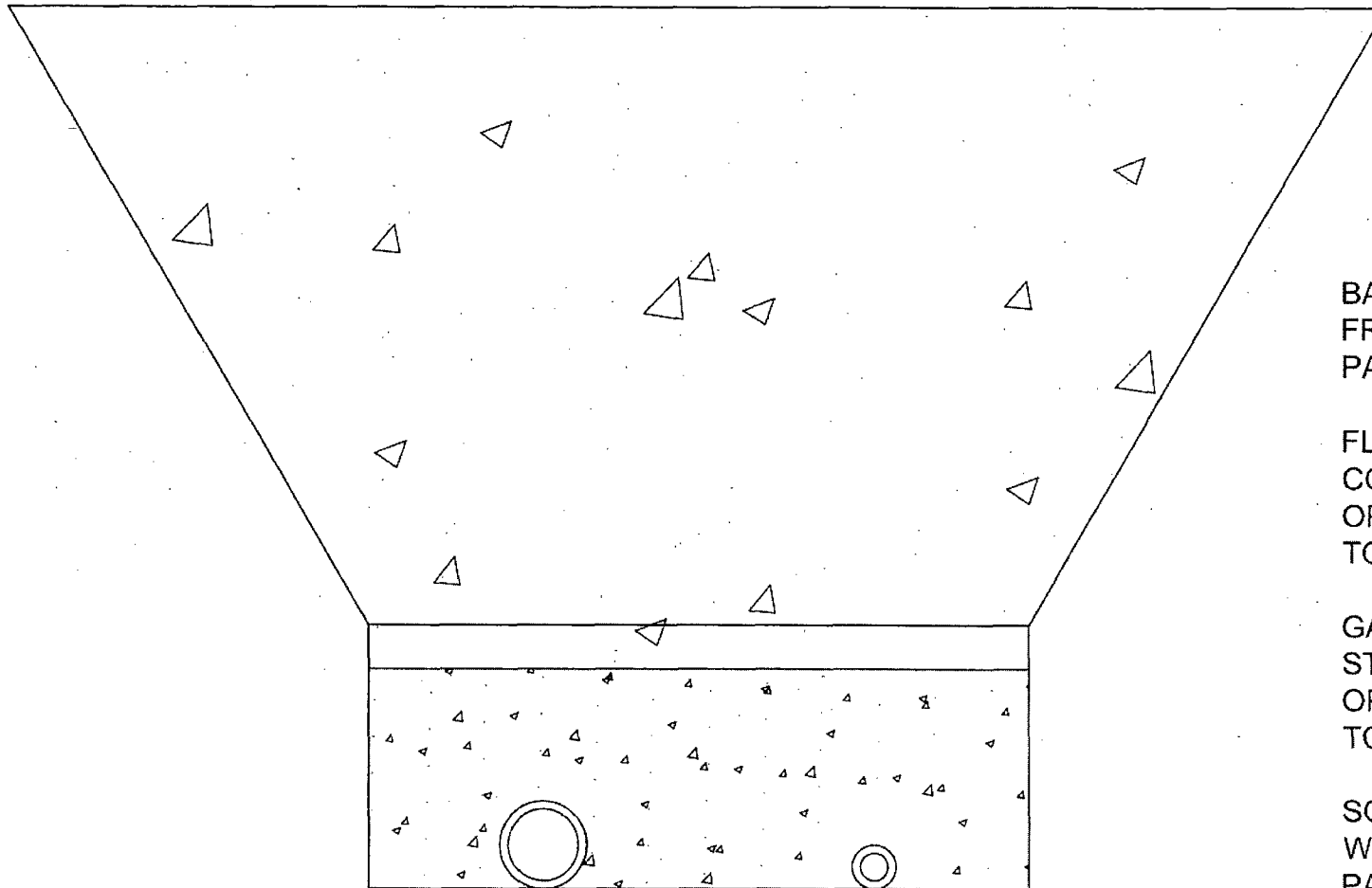
The Stampede Federal WC Com 34 1H is currently planned to spud 8/15/14. First production date is expected to be 10/1/14. ConocoPhillips Company respectfully requests final approval of this request no later than 7/1/14 (3 months prior to first production) in order to construct the facility in enough time for the Stampede Federal WC Com 34 1H first production date.

STAMPEDE FEDERAL WC COM 34 1H



STAMPEDE FEDERAL WC COM 34 1H

BACKFILL AROUND PIPE



BACKFILL DIRT TO BE AS
FREE OF ROCKS AND LARGE
PARTICLES AS POSSIBLE

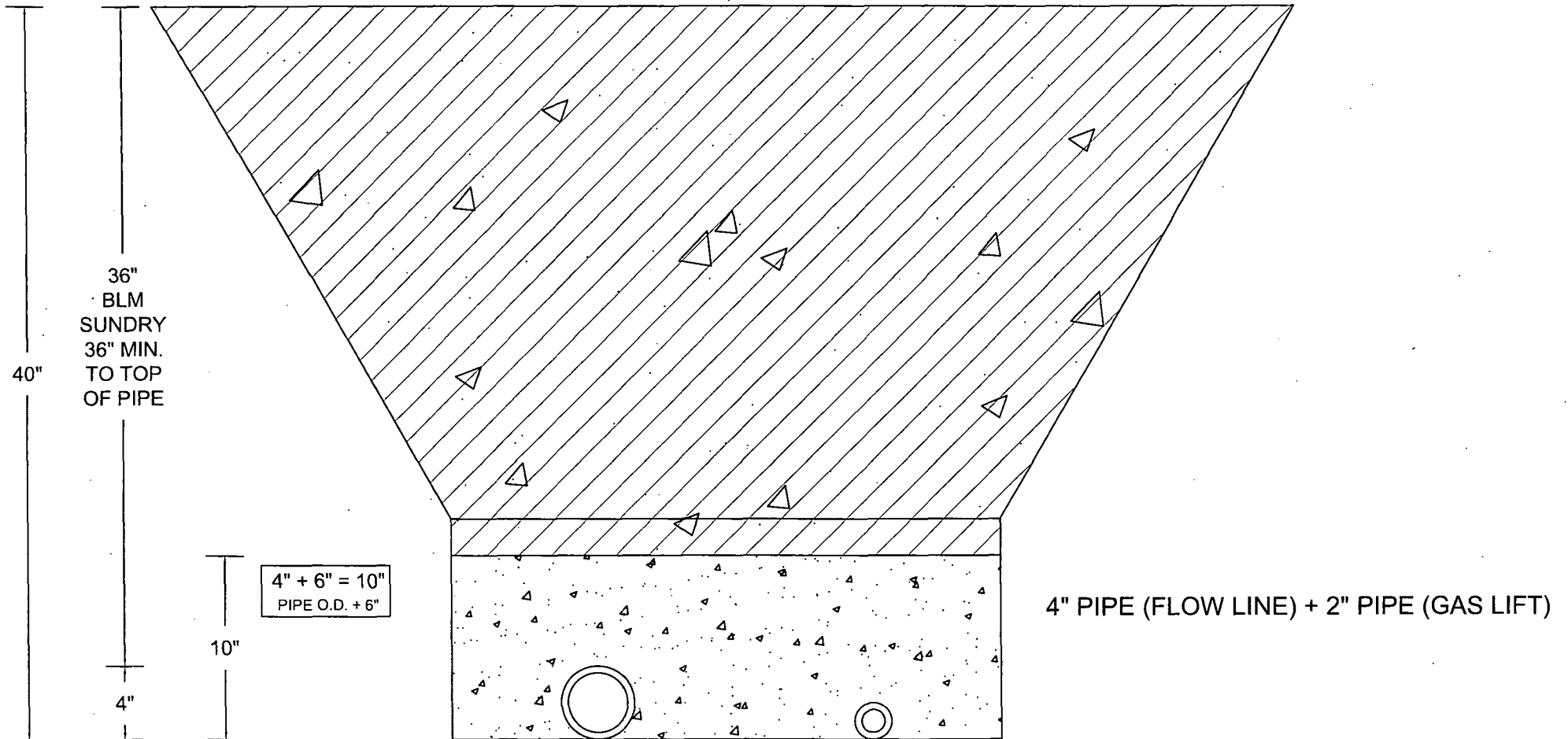
FLOW LINE WILL BE 4"
COATED STEEL PIPE w/ AN
OPERATING PRESSURE UP
TO 1480# PSI.

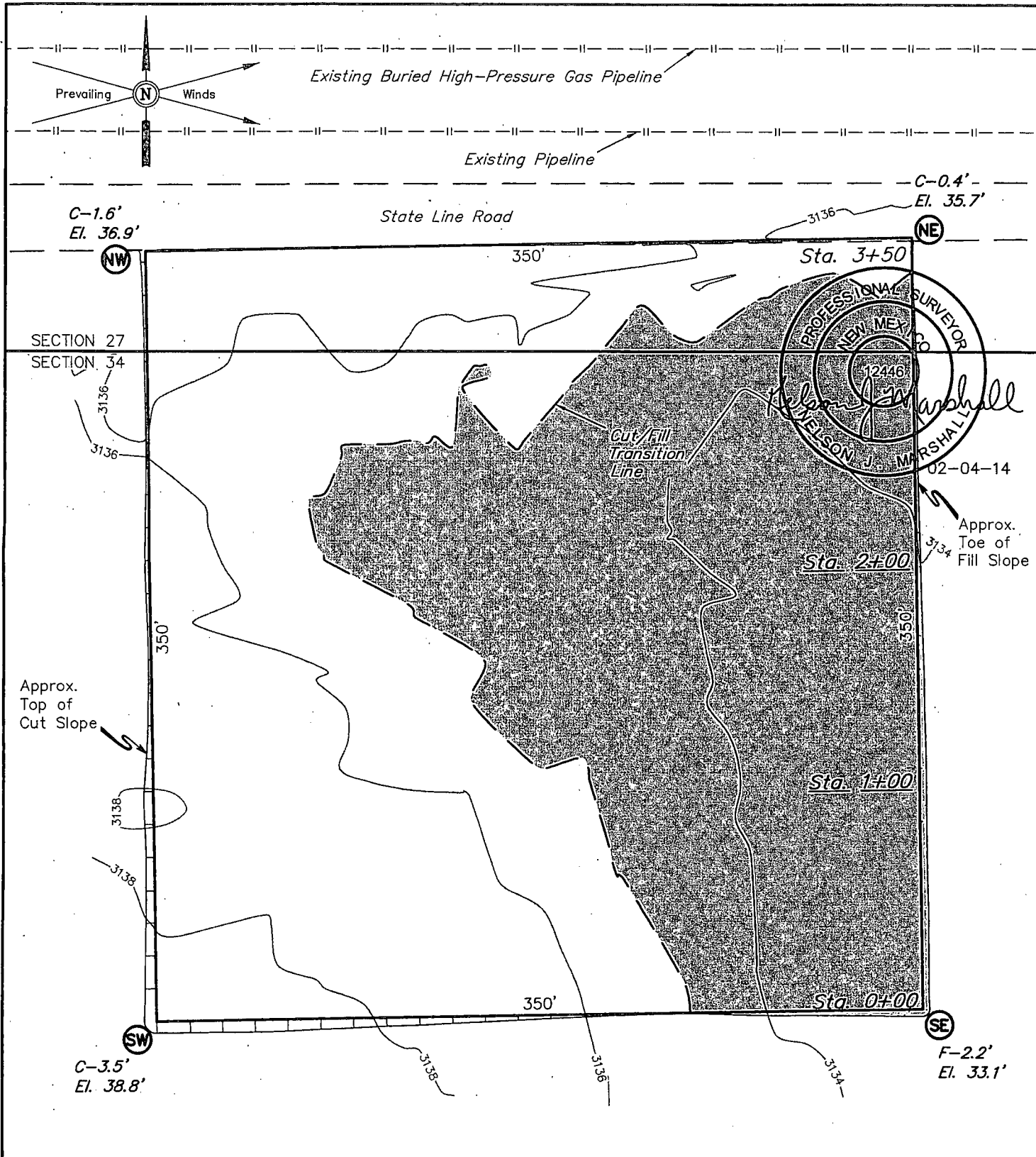
GAS SUPPLY LINE WILL BE 2"
STEEL PIPE w/ AN
OPERATING PRESSURE UP
TO 1100# PSI.

SOFT FILL DIRT OR SAND
WITH NO ROCKS OR SOLID
PARTICLES GREATER THAN
1" IN CIRCUMFERENCE

STAMPEDE FEDERAL WC COM 34 1H

BACKFILL AROUND PIPE





FINISHED GRADE ELEVATION = 3135.3'

NOTES:

- Underground utilities shown on this sheet are for visualization purposes only, actual locations to be determined prior to construction.

ConocoPhillips

ConocoPhillips Company

**STAMPEDE CENTRAL TANK BATTERY FACILITY PAD
SECTIONS 27 & 34, T26S, R31E, N.M.P.M.**

DRAWN BY: S.F.

SCALE: 1" = 60'

DATE: 01-22-14

REVISED:

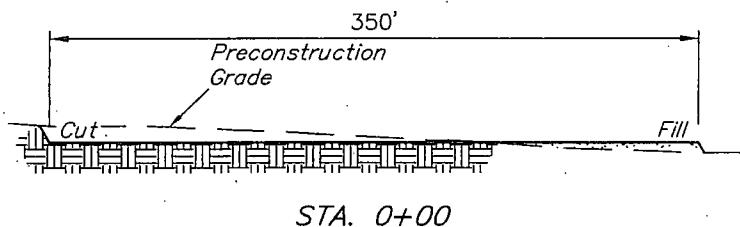
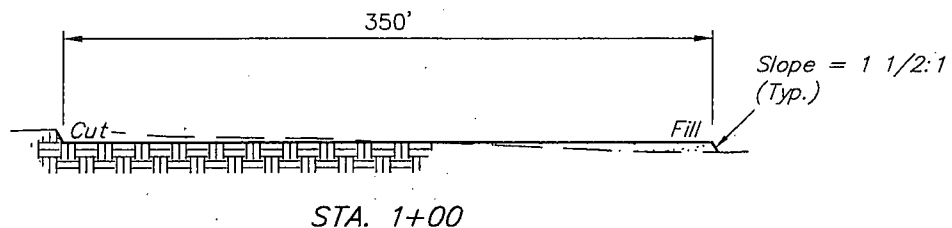
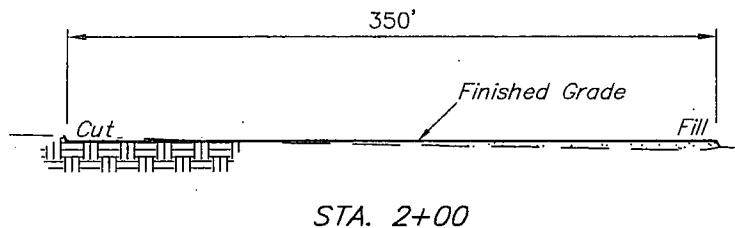
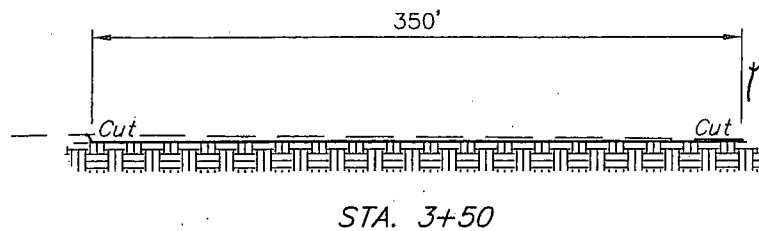
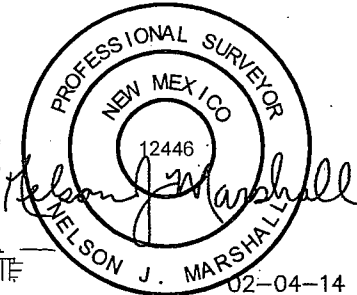
LOCATION LAYOUT

FIGURE #1



Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017

1" = 40'
X-Section
Scale
1" = 100'



APPROXIMATE EARTHWORK QUANTITIES		APPROXIMATE SURFACE DISTURBANCE AREAS		
TOPSOIL	0 Cu. Yds.		DISTANCE	ACRES
LOCATION	2,420 Cu. Yds.	WELL SITE DISTURBANCE	NA	±2.887
TOTAL CUT	2,420 Cu. Yds.	PIPELINE DISTURBANCE	±86.93'	±0.100
FILL	2,420 Cu. Yds.			
EXCESS MATERIAL	0 Cu. Yds.			
EXCESS UNBALANCE (After Interim Rehabilitation)	0 Cu. Yds.	TOTAL DISTURBANCE	±86.93'	±2.987

NOTES:
• Fill quantity includes 5% for compaction.

ConocoPhillips

ConocoPhillips Company

STAMPEDE CENTRAL TANK BATTERY FACILITY PAD
SECTIONS 27 & 34, T26S, R31E, N.M.P.M.

DRAWN BY: S.F.

SCALE: AS SHOWN

DATE: 01-22-14

REVISED:

TYPICAL CROSS SECTIONS

FIGURE #2

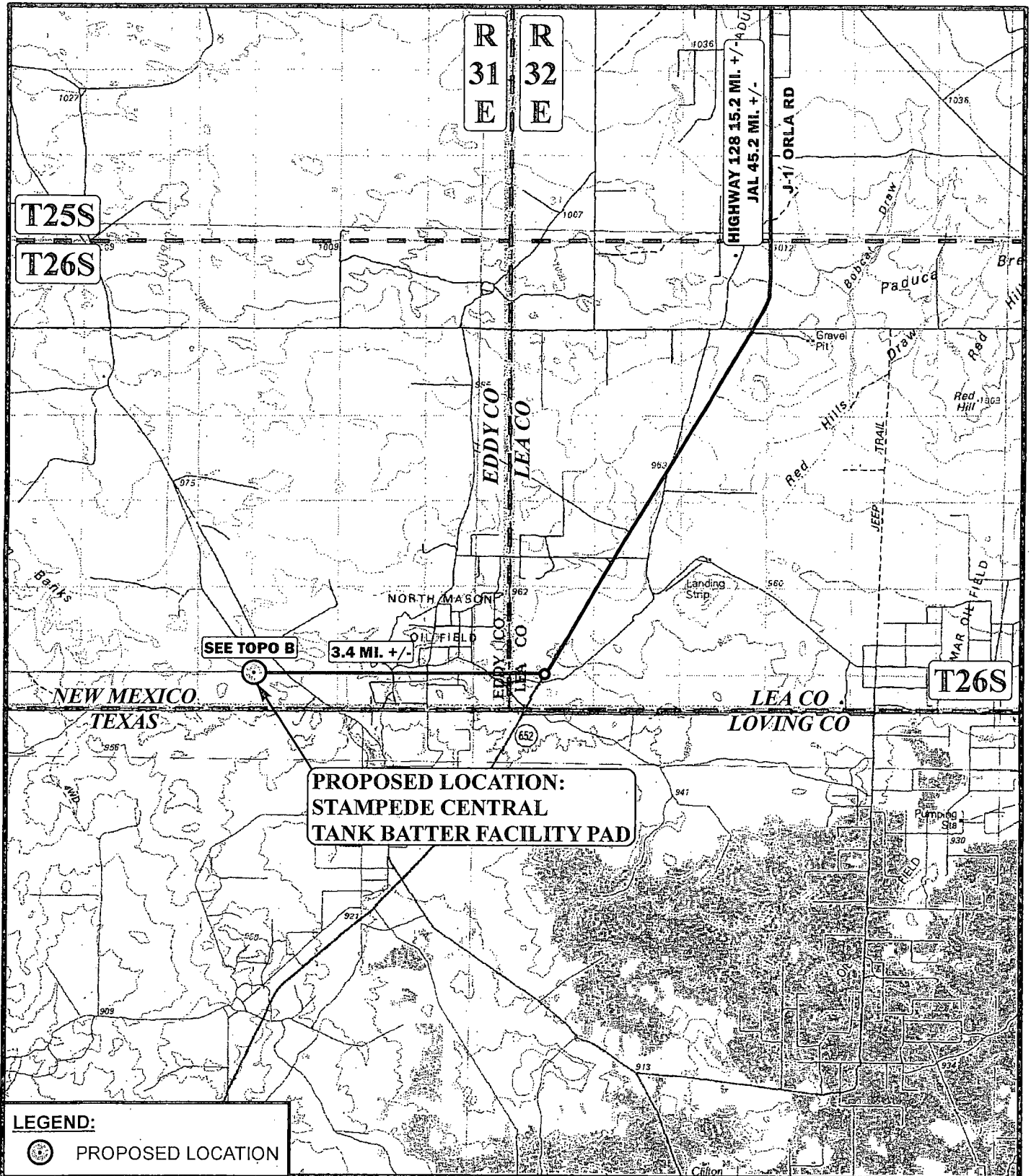


Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017

ConocoPhillips Company
STAMPEDE CENTRAL TANK BATTERY FACILITY PAD
SECTIONS 27 & 34, T26S, R31E, N.M.P.M.

BEGINNING AT THE INTERSECTION OF HIGHWAY 18 AND HIGHWAY 128 PROCEED IN A WESTERLY, THEN NORTHWESTERLY DIRECTION FROM JAL, NEW MEXICO ALONG HIGHWAY 128 APPROXIMATELY 30.0 MILES TO THE JUNCTION OF THIS ROAD AND J-1/ORLA ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 15.2 MILES TO THE JUNCTION OF THIS ROAD AND AN STATE LINE ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 3.4 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM JAL, NEW MEXICO TO THE PROPOSED LOCATION IS APPROXIMATELY 48.6 MILES.



LEGEND:



PROPOSED LOCATION

SCALE: 1:100,000

REVISED:

DRAWN BY: L.S.

DATE DRAWN: 01-16-14



ConocoPhillips

ConocoPhillips Company

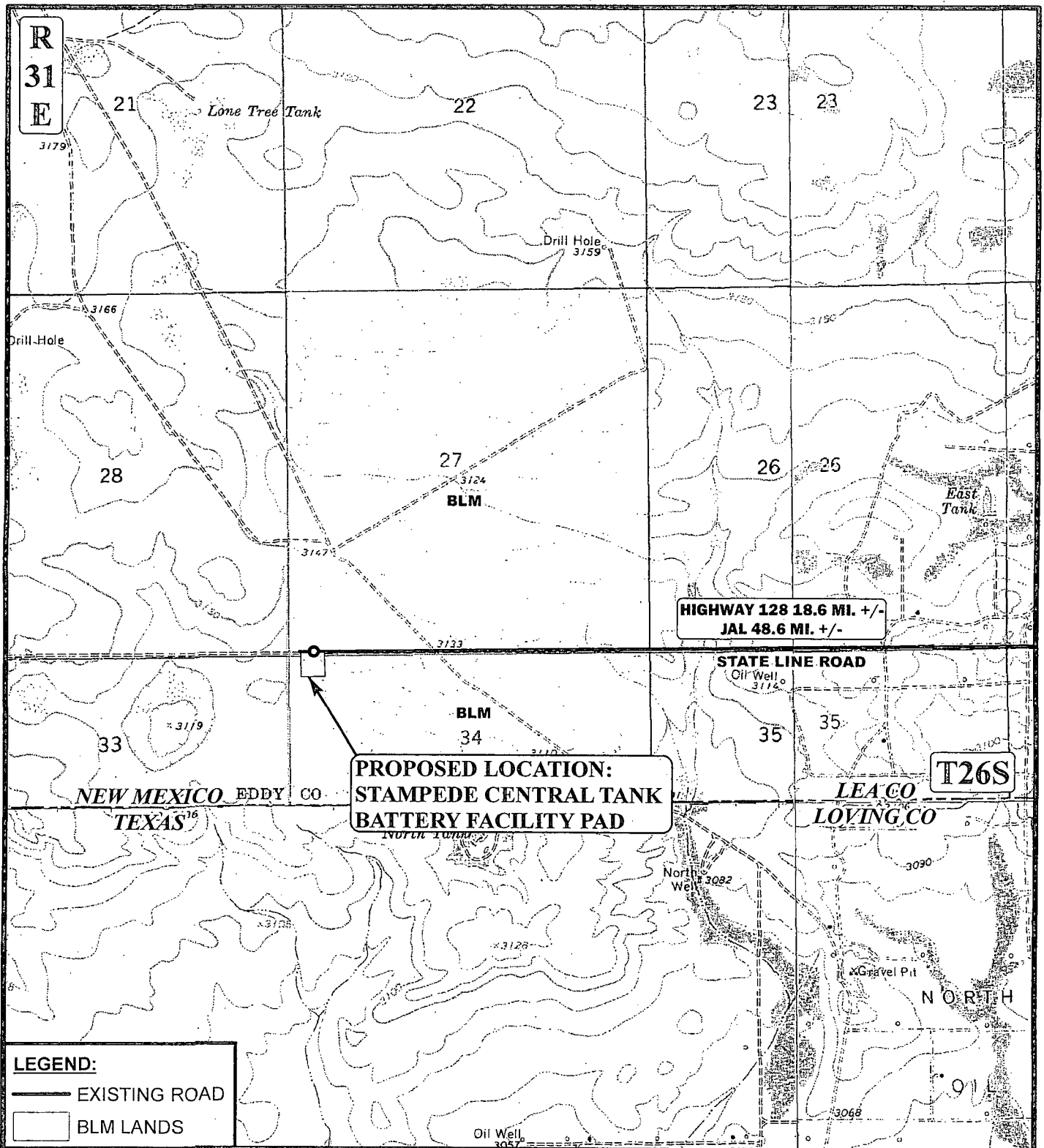
STAMPEDE CENTRAL TANK BATTERY FACILITY PAD
SECTIONS 27 & 34, T26S, R31E, N.M.P.M.

ACCESS ROAD MAP

TOPO A



Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017



*PARCEL DATA SHOWN HAS BEEN OBTAINED FROM VARIOUS SOURCES AND SHOULD BE USED FOR MAPPING, GRAPHIC AND PLANNING PURPOSES ONLY. NO WARRANTY IS MADE BY UINAH ENGINEERING & LAND SURVEYING (UELS) FOR ACCURACY OF THE PARCEL DATA.

SCALE: 1" = 2000'
 DRAWN BY: L.S.
 DATE DRAWN: 01-16-14



ConocoPhillips

ConocoPhillips Company

STAMPEDE CENTRAL TANK BATTERY FACILITY PAD
 SECTIONS 27 & 34, T26S, R31E, N.M.P.M.

ACCESS ROAD MAP

TOPO B



Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017

Section	T1	T2	T3
Legs	SR 1	SR 1	SR 1
Leg Grade	A572-50	A572-50	A572-50
Diagonals	SR 1/2	SR 1/2	SR 1/2
Diagonal Grade	A36	A36	A36
Top Girts	SR 1/2	SR 1/2	SR 1/2
Bottom Girts	SR 1/2	SR 1/2	SR 1/2
Horizontal	SR 1/2	SR 1/2	SR 1/2
Face Width (ft)	1.5	1.5	1.5
# Panels @ (ft)	23 @ 1.33333	23 @ 1.33333	23 @ 1.33333
Weight (lb)	397.2	397.2	397.2



DESIGNED APPURTENANCE LOADING

TYPE	ELEVATION	TYPE	ELEVATION
5000# Fall Load	50	12ft x 2.5" dia. Whip Antenna	30
Andrew 2' w/Radome	30	12ft x 2.5" dia. Whip Antenna	25
Andrew 2' w/Radome	30		

MATERIAL STRENGTH

GRADE	Fy	Fu	GRADE	Fy	Fu
A572-50	50 ksi	65 ksi	A36	36 ksi	58 ksi

TOWER DESIGN NOTES

1. Tower designed for Exposure C to the TIA-222-G Standard.
2. Tower designed for a 90 mph basic wind in accordance with the TIA-222-G Standard.
3. Tower is also designed for a 30 mph basic wind with 0.25 in ice. Ice is considered to increase in thickness with height.
4. Deflections are based upon a 60 mph wind.
5. Tower Structure Class II.
6. Topographic Category 1 with Crest Height of 0.00 ft
7. Tower members are "hot dipped" galvanized in accordance with ASTM A123 and ASTM A153 Standards.
8. Welds are fabricated with ER-80S-6 electrodes.
9. TOWER RATING: 41.1%

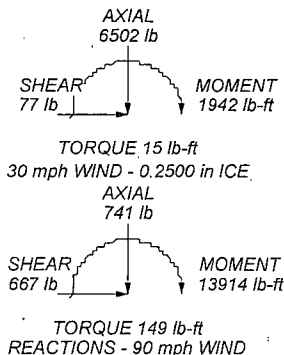
This engineering document is intended to be used as a sales tool. The engineering judgments herein are general in nature and are not intended to be site specific. Per section 107 of the International Building Code site specific drawings are required. Therefore, if or when this equipment is to be installed, a site specific analysis including site specific conditions (antenna equipment loading, elevations, wind speed, topographic factors, exposure coefficients, structure class, and soil strengths, ect) should be considered. DaVinci can provide site specific documents to meet the requirements of the building code and to ensure that the mounts, tower & foundation has sufficient structural capacity to support the proposed loading.

ALL REACTIONS
ARE FACTORED

MAX. CORNER REACTIONS AT BASE:

DOWN: 10768 lb
SHEAR: 182 lb

UPLIFT: -10132 lb
SHEAR: 271 lb



2/7/2014

DaVinci Engineering, Inc.

PO Box 1966
Santa Maria, CA 93456
Phone: (805) 922-5221
FAX: (805) 880-0402

Job: 9914267-022

Project: 30-ft Light Duty Tower

Client: 32.006009, -103.773487; Eddy County, New Mexico

Code: TIA-222-G

Path:

Drawn by: Simon Leland

Date: 03/07/14

App'd:

Scale: NTS

Dwg No. E-1

R:\Engineering Documents\TAX TOWER Files\Datey Tower\2672014\14267-022.dwg

BLM LEASE NUMBER: NMLC 068282B

COMPANY NAME: ConocoPhillips

ASSOCIATED WELL NAME: Stampede Federal WC Com 34 1H

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, 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 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.
6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
 - Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
 - Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*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.*)
 - The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)
8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
9. 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.
10. 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. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
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. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|------------------------|-----------------------------|
| (X) seed mixture 1 | () seed mixture 3 |
| () seed mixture 2 | () seed mixture 4 |
| () seed mixture 2/LPC | () Aplomado Falcon Mixture |

13. 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.

14. 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.

15. 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 before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. 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.

17. 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 associated roads, pipeline 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.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

19. Special Stipulations:

Phantom Bank Heronries

Surface disturbance will not be allowed within up to 200 meters of active heronries or by delaying activity for up to 120 days, or a combination of both. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

BLM Lease Number: NMLC068282B

Company Reference: ConocoPhillips Company

Well Name & Number: Stampede Federal WC Com 34 1H

STANDARD STIPULATIONS FOR OIL AND GAS RELATED SITES

A copy of the application (Grant/Sundry Notice) 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 and for all response costs, penalties, damages, claims, and other costs arising from the provisions of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Chap. 82, Section 6901 et. seq., from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Chap. 109, Section 9601 et. seq., and from other applicable environmental statutes.
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 site or related pipeline(s), any oil or other pollutant should be discharged from site facilities, the pipeline(s) or from containers or vehicles impacting Federal lands, the control and total removal, disposal, and cleanup of such oil 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 to Federal lands resulting therefrom, 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. Sites shall be maintained in an orderly, sanitary condition at all times. Waste materials, both liquid and solid, shall be disposed of promptly at an appropriate, authorized waste disposal facility in accordance with all applicable State and Federal laws. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, petroleum products, brines, chemicals, oil drums, ashes, and equipment.

6. The operator will notify the Bureau of Land Management (BLM) authorized officer and nearest Fish and Wildlife Service (FWS) Law Enforcement office within 24 hours, if the operator discovers a dead or injured federally protected species (i.e., migratory bird species, bald or golden eagle, or species listed by the FWS as threatened or endangered) in or adjacent to a pit, trench, tank, exhaust stack, or fence. (If the operator is unable to contact the FWS Law Enforcement office, the operator must contact the nearest FWS Ecological Services office.)

7. 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" designated by the Rocky Mountain Five-State Interagency Committee. The color selected for this project is **Shale Green**, Munsell Soil Color Chart Number 5Y 4/2.

8. 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 any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

9. A sales contract for removal of mineral material (caliche, sand, gravel, fill dirt) from an authorized pit, site, or on location must be obtained from the BLM prior to commencing construction. There are several options available for purchasing mineral material: contact the BLM office (575-234-5972).

10. 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, pads, associated pipeline 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.

11. Once the site is no longer in service or use, the site must undergo final abandonment. At final abandonment, the site and access roads must undergo "final" reclamation so that the character and productivity of the land are restored. Earthwork for final reclamation must be completed within six (6) months of the abandonment of the site. All pads and facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact. After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

12. The holder shall stockpile an adequate amount of topsoil where blading occurs. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles. The topsoil will be used for final reclamation.

13. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|--|--|
| <input checked="" type="checkbox"/> (X) seed mixture 1 | <input type="checkbox"/> () seed mixture 3 |
| <input type="checkbox"/> () seed mixture 2 | <input type="checkbox"/> () seed mixture 4 |
| <input type="checkbox"/> () seed mixture 2/LPC | <input type="checkbox"/> () Aplomado Falcon Mixture |

14. 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 Officer.

15. Open-topped Tanks - The operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps

16. The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency

livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock enclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 1/2 inches.

17. Open-Vent Exhaust Stack Enclosures – The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (Recommended enclosure structures on open-vent exhaust stacks are in the shape of a cone.) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

18. Containment Structures - Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

19. Special Stipulations:

Phantom Bank Heronries

Surface disturbance will not be allowed within up to 200 meters of active heronries or by delaying activity for up to 120 days, or a combination of both. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.