Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR

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

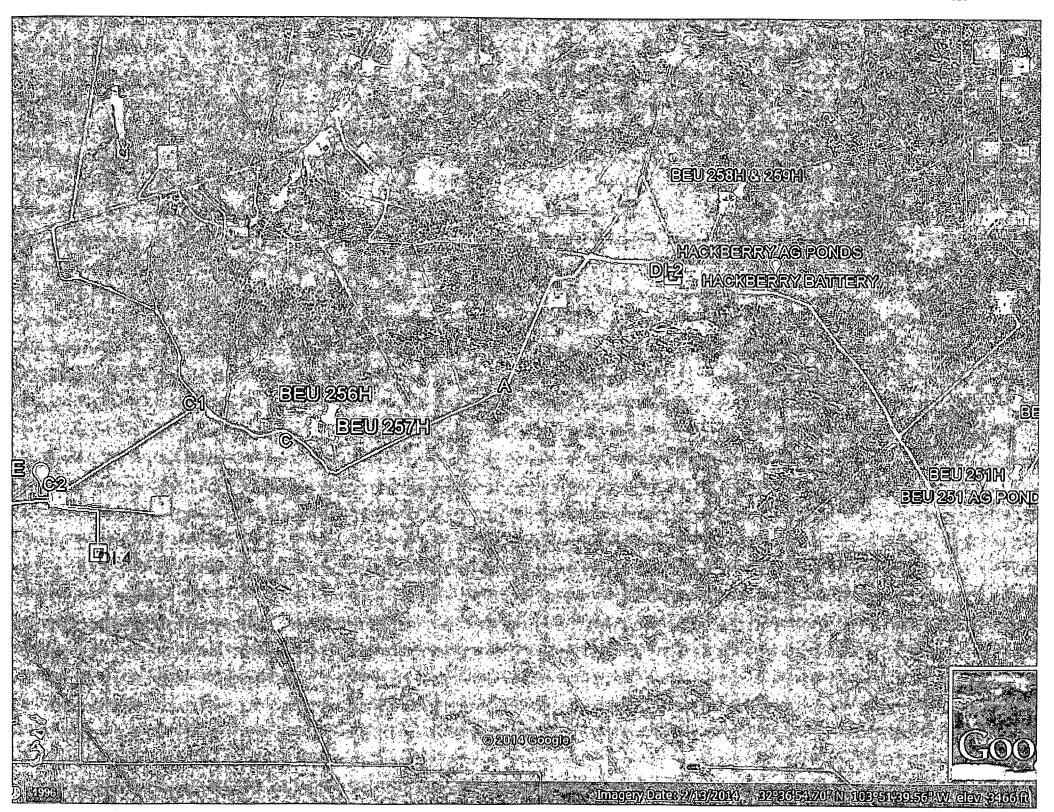
BUREAU OF LAND MANAGEMENT			5. Lease Serial No.		
SUNDRY N Do not use this f abandoned well.	to re-enter an	6. If Indian, Allottee or	Tribe Name		
SUBMIT IN TRIPLICATE – Other instructions on page 2.			7. If Unit of CA/Agreer	7. If Unit of CA/Agreement, Name and/or No.	
1. Type of Well			8. Well Name and No.		
✓ Oil Well Gas W	/ell Other		BEU DI4 #264H & BE	EU DI4 #270H	
2. Name of Operator BOPCO LP			9. API Well No. #264: 30-01542478 &	k #270H: 30-015-42479	
3a. Address 3b. Phone No. (include area code)				10. Field and Pool or Exploratory Area WC Williams Sink (Bone Spring	
PO BOX 522 WEST MERMOD, CARLSBAD NEW MEXICO 88220 575-887-7329				11. County or Parish, State	
 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) Big Eddy Unit DI4 #264H; 660°FNL & 1600° FEL, SEC 5, T20S-R31E Big Eddy Unit DI4 #270H; 710° FNL& 1600° FEL, SEC 5, T20S-R31E 			EDDY COUNTY NEV		
12. CHEC	K THE APPROPRIATE BOX(ES) TO IN	NDICATE NATURE OF N	IOTICE, REPORT OR OTHE	R DATA	
TYPE OF SUBMISSION		TYPE OF	ACTION		
Notice of Intent	= =	eepen	Production (Start/Resume) Reclamation	Water Shut-Off Well Integrity	
Subsequent Report		ew Construction	Recomplete	Other Temporary fresh water transfer line for	
Final Abandonment Notice		ug and Abandon	Temporarily Abandon Water Disposal	fracture stimulation	
A. From: Big Eddy Unit #251 "above B. To: Hackberry "above ground por C. To: "Birds Eye" frac pond (425' F. D. To: Big Eddy Unit DI4 # 264H (66' * Please see attachments. * Distance: 4-7/10 miles = 24,816' * Duration: 10/13/14 - 11/13/14	ransfer fresh water. Temporary line: ground ponds" (320'FSL & 360' FEL, nds" lay flat hose connection (800' FW SL & 2570' FEL, SEC 32, T19S-R31E 60'FNL & 1600' FEL, SEC5, T20-R31E	, SEC 35,T19S R31E). /L, SEC 35, T19S-R31E; :). E) & Big Eddy Unit DI4 #). 270H (710' FNL & 1600' FE	EL SEC 5, T20S-R31E). 1/5/20/5 1/5/20/5 1/5/20/5	
temporary line.	a along the temporary water line route 575-706-7523, Jody Walters 432-266		1		
				NM OIL CONSERVATION	
14. I hereby certify that the foregoing is to	rue and correct. Name (Printed/Typed)	T		ARTESIA DISTRICT	
Marcus Roberson		Title Completion	Consultant	DEC 3 0 2014	
Signature Marcus	Roberson	Date 10/01/2014	PATTING	RECEIVED	
	THIS SPACE FOR FEL	DERAL OR STATE	OFFICE USE		
Conditions of approval, if any, are attached	e Caffey d. Approval of this office does not warrant of the to those rights in the subject lease which thereon.	Title or certify	MANAGER D	DEC 1 9 2014	
Title 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a crime for any sentations as to any matter within its jurisdic	y person knowingly and will	45	or agency of the United States any false,	

Big Eddy Unit #264 & 270H

- Δ BOPCO requests BLM approval to transfer fresh water.
 - Water used for fracture stimulation.
 - ▶ Temporary 10" lay flat hose follows roads and existing disturbed areas.
 - A. From: Big Eddy Unit #251 "above ground ponds"
 - ▶ 320' FSL & 360' FEL, SEC 35, T19S R31E
 - B. To: Hackberry "above ground ponds" lay flat hose connection.
 - ▶ 800' FNL & 800' FWL, SEC 35, T19S R31E
 - From: Hackberry connection.
 - C. To: Birds Eye frac pond.
 - ▶ 425' FSL & 2570' FEL, SEC 32,T19S R31E
 - From: Birds Eye frac pond
 - D. To: Big Eddy Unit DI4 #264H & #270H (both wells on same location).
 - ▶ BEU DI4 #264H: 66O' FNL & 1600' FEL, SEC 5,T20S R31E
 - ▶ BEU DI4 #270H: 710' FNL & 1600' FEL, SEC 5,T20S R31E
 - Please see attachments.
 - Distance 4 7/10 miles = 24,816'
 - Duration 10/13/14 11/13/14
 - BOPCO agrees to reseed any area along "the temporary water line route" that the BLM believes was disturbed during layout, duration or removal of the temporary line.
 - **BOPCO Contacts**:
 - Mike Titsworth 575-706-7523, Jody Walters 432-266-2679,
 - Marcus Roberson 432-634-0365 / 575-399-8913

MVR





BLM LEASE NUMBER:NMLC068408 COMPANY NAME:BOPCO ASSOCIATED WELL NAME:BEU 264H

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, 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, 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.

- 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.

- 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 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.
- 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 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.

- 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. 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, powerline 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.
- 17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

18. Special Stipulations:

a. <u>Lesser Prairie-Chicken:</u> Oil and gas activities 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 involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.

BLM Serial #: Company Reference:

Seed Mixture for LPC Sand/Shinnery 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>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

^{*}Pounds of pure live seed:

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