Form 3160-5 (Juge 2015) UNITED STATES DEPARTMENT OF THE INFERIOR 210 CHICC BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS 12					FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018	
					5. Lease Serial No. NMLC063667	
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Allottee o	r Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agree	ment, Name and/or No.
1. Type of Well S Oil Well Gas Well Other					8. Well Name and No. BIG EDDY UNIT 1	4 FEDERAL SWD 1
2. Name of Operator Contact: STEPHANIE RAB BOPCO LP E-Mail: stephanie_rabadue@xtoenergy			RABADUE energy.com		9. API Well No. 30-015-43649-0	0-X1
3a. Address 6401 HOLIDAY HILL RD BLDG 5 SUITE 200 MIDLAND, TX 79707		3b. Phone No. (include area code) Ph: 432-620-6714			10. Field and Pool or F WILLIAMS SINK	Exploratory Area
4. Location of Well (Footage, Sec., T	, R., M., or Survey Description,				11. County or Parish, S	State
Sec 14 T20S R31E SWSW 1110FSL 250FWL		Accepted for record - NMOCD		MOCD	EDDY COUNTY	′, NM
12. CHECK THE AF	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE OI	F NOTICE	I , REPORT, OR OTH	ER DATA
TYPE OF SUBMISSION		TYPE OF ACTION				
X Notice of Intent	Acidize	Acidize 🗖 Dee		Production (Start/Resume)		UWater Shut-Off
Subsequent Report	Alter Casing		Iraulic Fracturing	Reclam		U Well Integrity
Final Abandonment Notice			v Construction g and Abandon	Recomp	rarily Abandon	☑ Other Surface Disturbance
	Convert to Injection		g Back	U Water Disposal		
If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fin BOPCO, L.P. respectfully requires Batteries (600?x600?), access of production from future Big E	k will be performed or provide operations. If the operation res andonment Notices must be file nal inspection. uests to construct, operate proads, and associated file	the Bond No. o sults in a multip ed only after all e, and mainta owlines for th	n file with BLM/BIA. le completion or recor requirements, includi ain: 2 ? 20kbd Ce le purpose of stor	. Required su mpletion in a ing reclamation ntral Tank age and sa	bsequent reports must be new interval, a Form 3160 n, have been completed a	filed within 30 days -4 must be filed once nd the operator has
of production from future Big Eddy Unit DI 30 wells in addition to disposal of produced water. RECEIVED Details and plats of the request are uploaded as an attachment.						
BEU DI30 CTB East: 1732?FWL & 1501?FSL, NESW, Sec 14-20S-31E [8.26 Acres] JAN 1 0 2019 BEU DI30 CTB West: 1267?FEL & 1493?FSL, NESE, Sec 15-20S-31E [8.26 Acres] JAN 1 0 2019					2019 ENTERED	
Flowlines: [Application Total: 29] DISTRICT II-ARTESIA O.C.D. BEU DI30 West CTB: One (1), 767.59? buried 6? poly flowline anticipated to carry produced water to						
the BEU DI3 West CTB is requested. Seven (7) additional 767.59? buried 6? steel flowlines with a						
Approved. WVL	12/19/201	<u>8 DC</u>) <u> -BLM-</u> ,	<u>NM-F</u>	<u>020-201</u>	9-0119 attache
14. I hereby certify that the foregoing is	Electronic Submission #4 For B	OPCO LP, se	ent to the Carlsbac	1	-	
Committed to AFMSS for processing by PR Name(Printed/Typed) STEPHANIE RABADUE					ORDINATOR	
Signature (Electronic Submission) THIS SPACE FOR FEDERA			Date 07/25/20		SE	
Approved By			Title Spes(/,	5059	Kea/ty	Date/2/19/18
Conditions of approval, than, 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 CFC	2		
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a tatements or representations as	crime for any pe to any matter w	erson knowingly and vithin its jurisdiction.	willfully to m	ake to any department or a	agency of the United
(Instructions on page 2) ** BLM REVI	SED ** BLM REVISED) ** BLM RI	EVISED ** BLM	REVISE) ** BLM REVISED) **

Additional data for EC transaction #428591 that would not fit on the form

32. Additional remarks, continued

maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 West CTB for future production (oil, gas, water lines). Seven (7) additional 767.59? buried 6? steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 West CTB for future gas lift. Total Flowlines to the West Battery with this applications: 15 buried.

BEU DI30 East CTB: Seven (7) 731.73? buried 6? steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 East CTB for future production (oil, gas, water lines). Seven (7) additional 731.73? buried 6? steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 East CTB for future gas lift. Total Flowlines to the East Battery with this applications: 14 buried.

Access Roads:

There is a total of 935.75? or .18 miles of proposed and staked new access roads to two (2) requested Central Tank Batteries for BEU DI30. The access road plat attached show the location of proposed roads that will need to be constructed to access the well pads. Proposed roads extend off of the existing approved road for BEU DI30.

Pipeline_Request BOPCO, L.P. Big Eddy Unit DI 30 Production Package; BEU DI30 West CTB, BEU DI30 East CTB, Access Roads, Buried F/L's Sections 14 & 15 20S-31E (Bureau of Land Management) Eddy County, New Mexico

1. PURPOSE AND NEED:

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- BOPCO, L.P. respectfully requests to construct, operate, and maintain: 2 20kbd Central Tank Batteries (600'x600'), access roads, and associated flowlines for the purpose of storage and sale of production from future Big Eddy Unit DI 30 wells in addition to disposal of produced water.
- 2. CONSTRUCTION & MAINTENANCE:
 - a. BOPCO, L.P. anticipates a project start date of: September 30, 2018 with construction taking 3 months. If additional time is deemed necessary to complete construction or reclamation, a sundry will be filed with the AO pursuant to anticipated activities.
 - b. Two (2) routes are proposed for buried flowlines. Flowline specifics can be found under 'Location of Proposed Facilities.'
 - c. Subsurface lines will be buried a minimum of 36" beneath the surface.
 - d. Buried lines will be identified by signs at the point of origin and completion of the line in addition to all road crossings. Signs will state, at minimum: the holder's name and 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 lines.
 - e. The line route will not be used as a road for purposes other than routine maintenance as determined necessary by the AO in consultation with BOPCO, L.P. before maintenance begins. BOPCO, L.P. will take all necessary precautions to ensure that the flowline route is not used as a roadway. Temporary deterrence structures will be used as needed and approved by the AO.
 - f. All permanent aboveground structures (on site six months or longer), such as risers, constructed or installed on location and not subject to safety requirements will be painted Carlsbad Canyon as approved by the AO recreation specialist, reducing the visual impacts on the built environment.
 - g. Escape ramps will be constructed and maintained that are not fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. BOPCO, L.P. will construct and maintain escape ramps, ladders, or other methods of avian/terrestrial wildlife escape in the trenches according to the following criteria:
 - i. Any trench left open for 8 hours or less will not have escape ramps. However, prior to backfilling, BOPCO, L.P. shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
 - ii. Any trench left open for more than 8 hours will have earthen escape ramps built at no more than a 30 degree slope and spaced no more than 500' apart inside of the trench.

3. LOCATION OF PROPOSED FACILITIES

a. **Central Tank Batteries**. Two (2) 600'x600' central tank batteries are requested to be built offsetting the drill island and will be used for the storage, measurement, and sale of mineral production from wells on Big Eddy Unit DI 30. The Western most facility will be

known as BEU DI30 West. The Eastern most facility will be known as BEU DI30 East. Location information for either battery is noted below. Associated plats for the project request are attached. A 3160-5 sundry notification will be submitted after construction with a site-security diagram and layout of the facility with associated equipment.

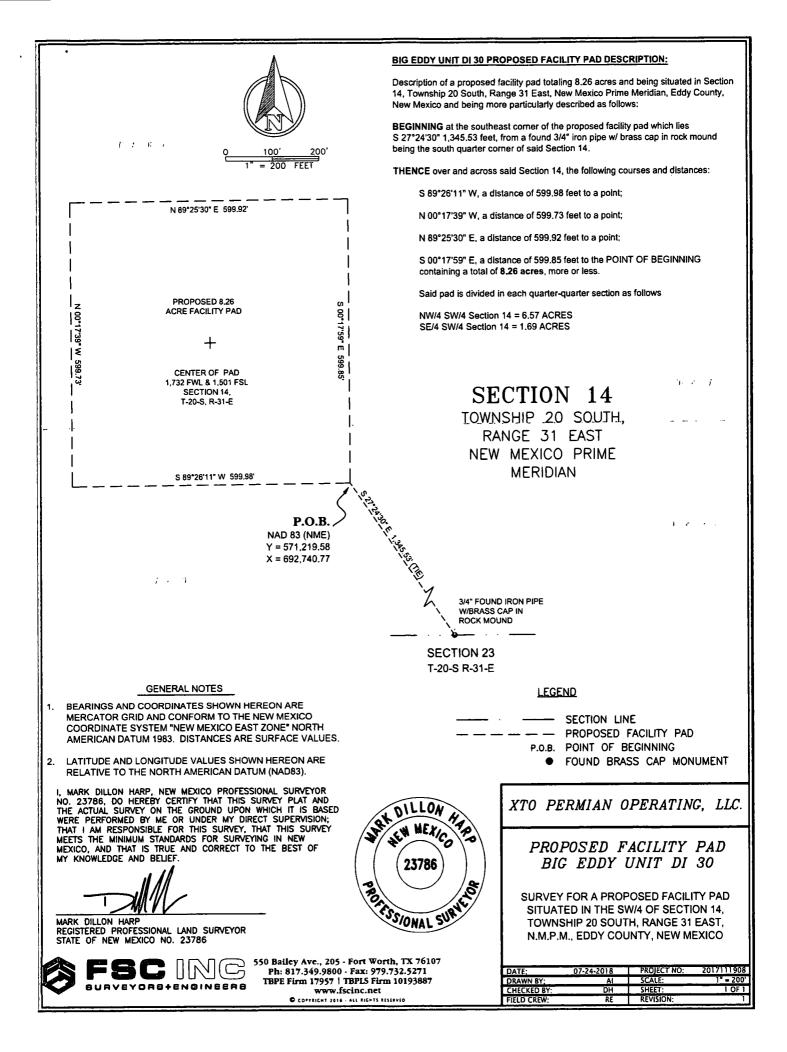
- i. BEU DI30 West CTB: 1267'FEL & 1493'FSL, NESE, Sec 15-20S-31E [8.26 Acres]
- ii. BEU DI30 East CTB: 1732'FWL & 1501'FSL, NESW, Sec 14-20S-31E [8.26 Acres]
- b. Flowlines.
 - i. BEU DI30 West CTB: One (1), 767.59' buried 6" poly flowline anticipated to carry produced water to the BEU DI3 West CTB is requested. Seven (7) additional 767.59' buried 6" steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 West CTB for future production (oil, gas, water lines). Seven (7) additional 767.59' buried 6" steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 West CTB for future production (oil, gas, water lines). Seven (7) additional 767.59' buried 6" steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 West CTB for future gas lift. Total Flowlines to the West Battery with this applications: 15 buried.
 - ii. BEU DI30 East CTB: Seven (7) 731.73' buried 6" steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 East CTB for future production (oil, gas, water lines). Seven (7) additional 731.73' buried 6" steel flowlines with a maximum safety pressure rating of 1440psi (operating pressure: 750psi) are requested for the BEU DI30 East CTB for future gas lift. Total Flowlines to the East Battery with this applications: 14 buried.
- c. Flare. Two (2) flares are requested for this project. One flare will be located on each CTB location (BEU DI30 West & BEU DI30 East). The flare will be sized and rated based on anticipated reserves and recovery of gas throughout the development area with 150' of distance between all facility equipment, road and well pad locations for safety purposes.
- d. **Containment Berms**. Containment berms will be constructed completely around any production facilities designed to hold fluids. The containment berms will be constructed of compacted subsoil, be sufficiently impervious, hold 1 ½ times the capacity of the largest tank and away from cut or fill areas.
- 4. PROPOSED ROADS:
- 5. New Roads. There is a total of 935.75' or .18 miles of proposed and staked new access roads to two (2) requested Central Tank Batteries for BEU DI30. The access road plats attached show the location of proposed roads that will need to be constructed to access the well pads. Proposed roads extend off of the existing approved road for BEU DI30.
- 6. Anticipated Traffic. Upon completion of the Central Tank Battery, one lease operator truck will continue to travel to each well site to monitor the working order of the wells and to check well equipment for proper operation. Two oil trucks will continue to travel to the Central Tank Battery for oil hauling until an oil pipeline is identified. Additional traffic will include one maintenance truck periodically throughout the year for pad upkeep and weed removal.
- 7. Routing. All equipment and vehicles will be confined to the travel routes laid out in the vicinity map provided by FSC, Inc. unless otherwise approved by the BLM and applied for by BOPCO, L.P.
- 8. **Road Dimensions**. The maximum width of the driving surface of new roads will be 14 feet. The roads will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the

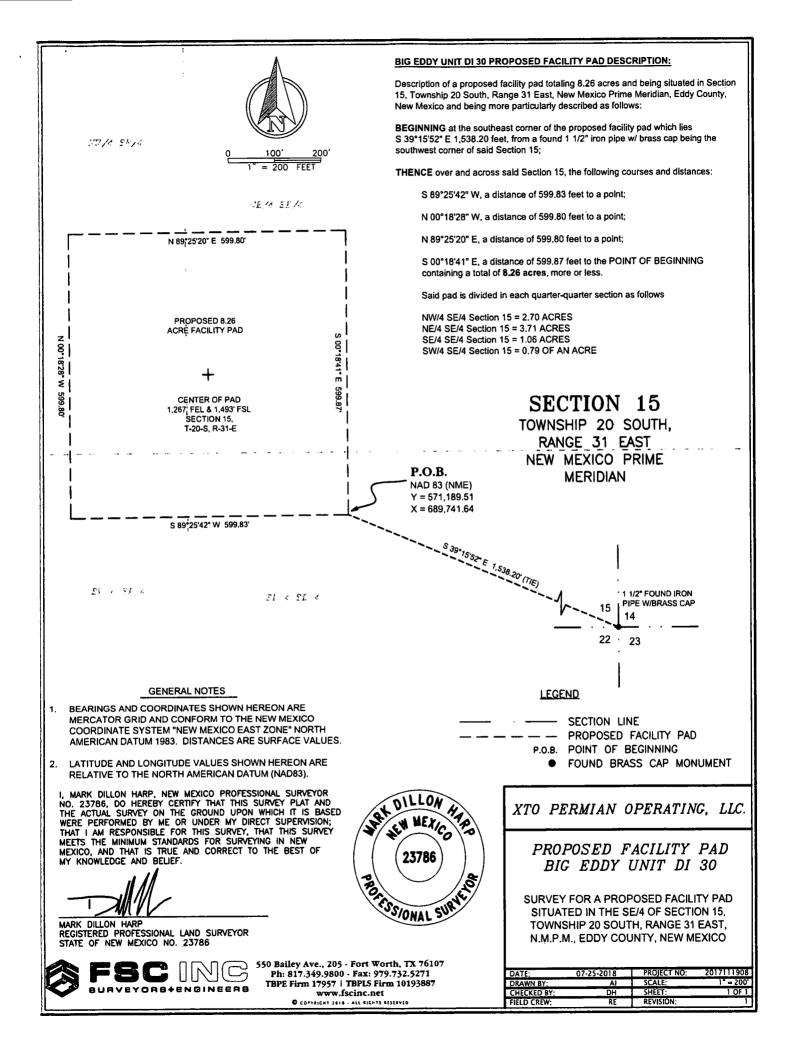
driving surface. The ditches will be 1 foot deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.

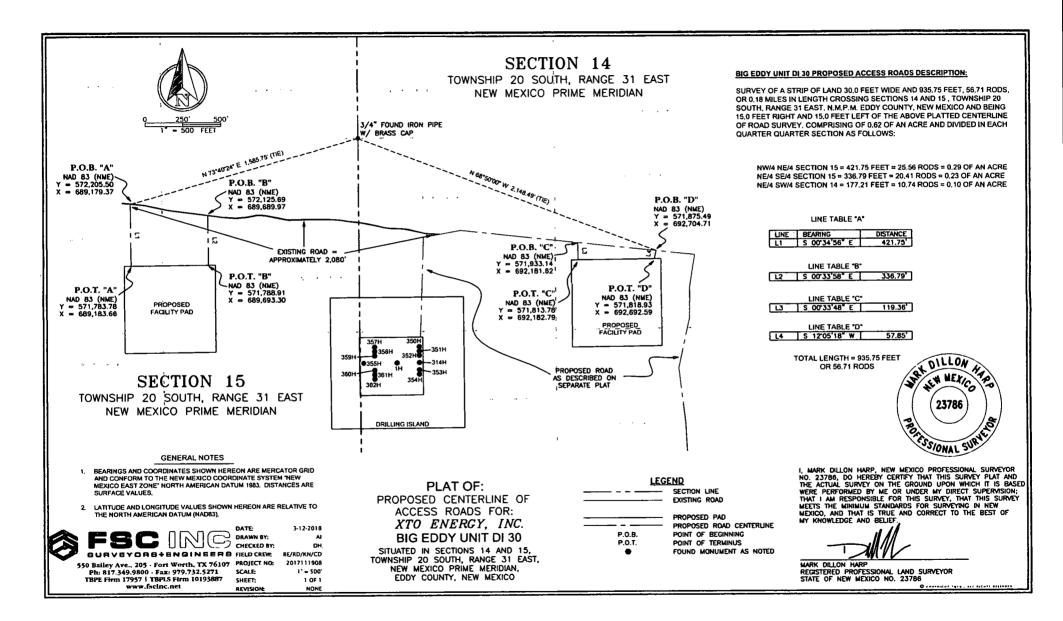


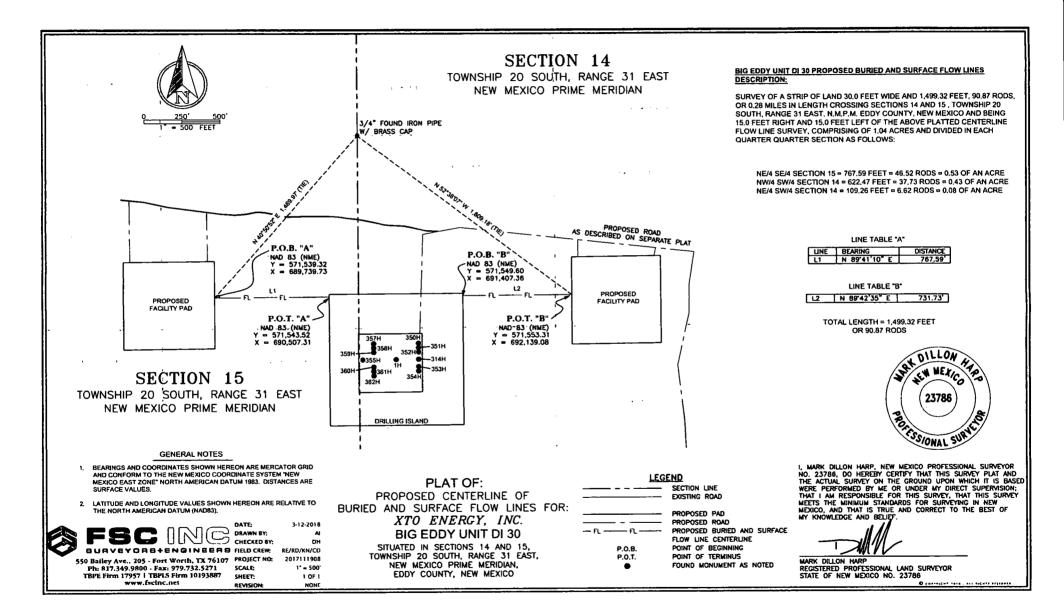
Level Ground Section

- 9. Surface Material. Surface material will be native caliche. The average grade of all roads will be approximately 3%.
- 10. Fence Cuts: No.
- 11. Fences: No.
- 12. Cattle Guards: No.
- 13. Turnouts: No.
- 14. Culverts: No.
- 15. Cuts and Fills: Not significant.
- 16. **Topsoil**. Approximately 6 inches of topsoil (root zone) will be stripped from the proposed access road prior to any further construction activity. The topsoil that was stripped will be spread along the edge of the road and within the ditch. The topsoil will be seeded with the proper seed mix designated by the BLM.
- 17. Maintenance. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along with access road route.
- 18. Drainage. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, The Gold Book, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.
- **19. ADDITIONAL GOVERNMENT AGENCIES INVOLVED:**
 - a. None.
- 20. PLANS FOR SURFACE RECLAMATION:
 - a. Surface Reclamation plans will be assessed with the BLM AO when use of the facilities and roads is completed.
- 21. OTHER INFORMATION:
 - a. There is no permanent or live water in the immediate area.
 - b. There are no dwellings within 2 miles of this location.
 - c. Archaeology: payment has been made in accordance with the MOA.
 - d. Onsite Conducted with Jeff Robertson, BLM NRS: 2.27.2018
- 22. BOND COVERAGE:
 - a. BOPCO, L.P. Bond Number: COB00050









Well Name & Number: Big Eddy Unit 14 Fed SWD 1 CTB Pad, Roads, and Flowlines

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 statues.

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 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 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.

() seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4
(X) seed mixture 2/LPC		() 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 exclosure 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 Exclosures – 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 exclosure 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:

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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, <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.

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 <u>30</u> feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> 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 <u>30</u> 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.

() seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4
(X) 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-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.

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. <u>Escape Ramps</u> - 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:

Wildlife Mitigation Measures

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 involve 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. 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. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. 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.

Timing Limitation Exceptions:

The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

Hydrology:

The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.

When crossing ephemeral drainages the pipeline will be buried to a minimum depth of 48 inches from the top of pipe to ground level. Erosion control methods such as gabions and/or rock aprons should be placed on both up and downstream sides of the pipeline crossing. In addition, curled (weed free) wood/straw fiber wattles/logs and/or silt fences should be placed on the downstream side for sediment control during construction and maintained until soils and vegetation have stabilized. Water bars should be placed within the ROW to divert and dissipate surface runoff. A pipeline access road is not permitted to cross these ephemeral drainages. Traffic should be diverted to a preexisting route. Additional seeding may be required in floodplains and drainages to restore energy dissipating vegetation.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain $1\frac{1}{2}$ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

Electric Lines: Any water erosion that may occur due to the construction of overhead electric line and during the life of the power line will be quickly corrected and proper measures will be taken to prevent future erosion.

Lesser Prairie-Chicken

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, 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. 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. Exhaust noise from permanent engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

Watershed/Water Quality:

The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.

- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g. caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)

Watershed & Surface/Groundwater Quality:

• A leak detection plan *will be submitted to the BLM Carlsbad Field Office for approval* prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating values and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event. Regular monitoring is required to quickly identify leaks for their immediate and proper treatment.

Tank Battery:

- Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.
- Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

<u>Wildlife</u>

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In May 2008, the Pecos District Special Status Species Resource Management Plan Amendment (RMPA) was approved and is being implemented. In addition to the standard practices that minimize impacts, as listed above, the following COA will apply:

- Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken, to minimize noise associated impacts which could disrupt breeding and nesting activities.
- Upon abandonment, a low profile abandoned well marker will be installed to prevent raptor perching.

Proposed Salt Playas ACEC

• During nesting season (May 1 – August 31) the noise level would not exceed 49 dB at 30 feet within interior zone of the ACEC.

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.