Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

arlsbad	Field	Office
ocn	Artes	FORM APPROVE FORM NO. 1004-01.

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5. Lease Serial No. NIMI C028784A

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					NMLC028784A 6. If Indian, Allottee of	
SUBMIT IN	TRIPLICATE - Other inst	ructions on p	nge 2		7. If Unit or CA/Agre NMNM88525X	ement, Name and/or No.
Type of Well	her				8. Well Name and No.	ANK BATTERY N/A
Name of Operator COG OPERATING LLC	Contact: E-Mail: rrussell@c	ROBYN RUSS oncho.com	ELL		9. API Well No. 30-015-2	27645
3a. Address 600 W. ILLINOIS AVENUE MIDLAND, TX 79701		3b. Phone No. (Ph: 432-685-	include area code) 4385		10. Field and Pool or N/A	Exploratory Area
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description,)			11. County or Parish,	State
Sec 24 T17S R29E					EDDY COUNT	Y, NM
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICATI	E NATURE OF	NOTICE,	REPORT, OR OTH	HER DATA
. TYPE OF SUBMISSION			TYPE OF	ACTION		
Notice of Intent ■	☐ Acidize	🗖 Деере	n	☐ Producti	ion (Start/Resume)	□ Water Shut-Off
	☐ Alter Casing	Hydra	ulic Fracturing	☐ Reclama	ation	■ Well Integrity
☐ Subsequent Report	□ Casing Repair	☐ New C	Construction	☐ Recomp	lete ·	Other
☐ Final Abandonment Notice	☐ Change Plans.	Plug a	nd Abandon	☐ Tempor	arily Abandon	Right of Way
13. Describe Proposed or Completed Ope	☐ Convert to Injection	☐ Plug E		☐ Water D	-	
testing has been completed. Final Abdetermined that the site is ready for final COG Operating LLC respectfur oute. The working psi will be beginning at the BKU Central disturbance to the BKU Satelli existing disturbance to the BKI attached plats.	inal inspection. Illy requests to add 4 surfa below 125psi and used to Tank Battery. Two (2) of t te D Battery in Sec 23 and U Satellite B Battery in Se	ace 4" poly line transport prod he pipelines wi d the other two c 19, 17S, 30E	s along an exis uced oil, gas & I follow existing (2) pipelines w . Routing show	ting pipeline water	3	and the operator has
•	Accepted	1/30//	MOCD		APF	2 5 2019
					DISTRICT	I-ARTESIA O.C.D.
14. I hereby certify that the foregoing is	Electronic Submission #3	PERATING LLC	sent to the Car	rlsbad	•	·
Name (Printed/Typed) ROBYN R	USSELL	Т	itle REGULA	TORY ANA	ALYST	
. Signature (Electronic S	ubprission)		ate 07/25/20	17		
	THIS SPACE FO	R FEDERAL			SE	
Approved By Mi			Title #FN	n RES	on Peel	(0 A 72 (9
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct	itable title to those rights in the ct operations thereon.	subject lease			POZAGO	
Fitle 18 U.S.C. Section 1001 and Title 43 U.States any false, fictitious or fraudulent s	J.S.C. Section 1212, make it a clatements or representations as	crime for any perso to any matter withi	n knowingly and v n its jurisdiction.	villfully to ma	ke to any department or	agency of the United

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 ______ 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 <u>24</u> 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:

EXHIBIT NO.	1	
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Bureau of Land Management, Carlsbad Field Office 620 E. Greene Street Carlsbad, NM 88220

Lease # NMLC 028784A

Date of Issue:

Cultural and Archaeological Resources

A-BLM Report No.

N/A

NOTICE OF STIPULATIONS

<u>Historic properties</u> in the vicinity of this project are protected by federal law. In order to ensure that they are not damaged or destroyed by construction activities, the project proponent and construction supervisors shall ensure that the following stipulations are implemented.

Project Name:	BKU Tank Battery Flowlines
Required	1). A 3-day preconstruction call-in notification. Contact BLM archaeologist Bruce Boeke at 575-234-
	5917.
Required	<u>2. Professional archaeological monitoring</u> . Contact your BLM project archaeologist at (575) 234-5917 for assistance.
 	These stipulations must be given to your monitor at least <u>5 days</u> prior to the start of construction.
B. ⊠	. , , , , , ,
	3. Cultural site barrier fencing. (Your monitor will assist you).
A.	A temporary site protection barrier(s) shall be erected prior to all ground-disturbing activities. The minimum barrier(s) shall consist of upright wooden survey lath spaced no more than ten (10) feet apart and marked with blue ribbon flagging or blue paint. There shall be no construction activities or vehicular traffic past the barrier(s) at any time.
B. 🗔	A permanent, 4-strand barbed wire fence strung on standard "T-posts" shall be erected prior to all ground-disturbing activities. No construction activities or vehicle traffic are allowed past the fence.
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Required	4. The archaeological monitor shall:
Required	4. The archaeological monitor shall:
And it should be with	4. The archaeological monitor shall: Observe all ground-disturbing activities within 200 feet of cultural sites LA 182056 & LA 182057.
A. III	•
A. □ B . ⊠	Observe all ground-disturbing activities within 200 feet of cultural sites LA 182056 & LA 182057. Ensure that the proposed actions(vehicles, equipment) remain outside of archaeology sites LA 182056 and LA
B. C	Observe all ground-disturbing activities within 200 feet of cultural sites LA 182056 & LA 182057. Ensure that the proposed actions(vehicles, equipment) remain outside of archaeology sites LA 182056 and LA 182057.
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B	Observe all ground-disturbing activities within 200 feet of cultural sites LA 182056 & LA 182057. Ensure that the proposed actions(vehicles, equipment) remain outside of archaeology sites LA 182056 and LA 182057. Ensure the proposed reroute for LA is adhered to. Submit a brief monitoring report within 30 days of completion of monitoring. If subsurface cultural resources are encountered during the monitoring, all activities shall cease and a BLM-CFO

Site Protection and Employee Education: It is the responsibility of the project proponent and his construction supervisor to inform all employees and subcontractors that cultural and archaeological sites are to be avoided by all personnel vehicles, and equipment; and that it is illegal to collect damage, or disturb cultural resources on Public Lands.