Form 3160-5 (April2004)

#### UNITEDSTATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CD-ARTESIA

FORMAPPROVED	
OM B No 1004-0137	
Expires: March 31, 20	007

5. Lease Serial No. 779

SUNDRY NOTICES AND REPORTS ON WELLS	State 1779
not use this form for proposels to drill, or to re-enter are	6. If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to re-enter and abandoned well. Use Form 3160-3 (APD) for such proposals.

7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 1 Type of Well Öıl Well X Gas Well 8. Well Name and No OCT 28 2008 **BIG EDDY UNIT #149** 2. Name of Operator 9. API Well No. BEPCO, L.P. 30-015-33972 3a. Address P.O. BOX 2760 MIDLAND TX 79702-2760 (432)683-2277 10. Field and Pool, or Exploratory Area CARLSBAD (MORROW), EAST 4. Location of Well (Footage, Sec , T , R., M., or Survey Description) 11. County or Parish, State UL H, 1980' FNL, 660' FEL, SEC 32, T21S, R28E **EDDY** NM 12. CHECK APPROPRIATE BOX(ES)TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Deepen Water Shut-Off Production (Start/Resume) X Notice of Intent Alter Casing FractureTreat Reclamation Well Integrity Casing Repair X New Construction Other Recomplete Subsequent Report ☐ Temporarily Abandon Change Plans Plug and Abandon ☐ Final Abandonment Notice Convert to Injection PlugBack 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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) BEPCO, L. P. respectfully requests approval to install a 4" SCH 40, 0.237" wall steel pipeline to connect the BEU #149 with a proposed segment of the Big Eddy Unit Pipeline in Sec. 33, T21S, R28E. This 4" buried segment will extend from the #149 wellsite generally NE for ~2702.9' to another proposed line in the NW 1/4 of Sec. 33. The line will lie ~ 15 from the centerline of the surveyed strip of land. The path has been staked and surveyed as shown on the attached plats. The ROW is currently being arch cleared. ACCEPTED FOR RECORD OCT 29 2008 Gerry Guye, Deputy Field Inspector NMOCD-District II ARTESIA I hereby certify that the foregoing is true and correct Name (Printed/Typed) **ANN MOORE** Title SENIOR PRODUCTION CLERK 09/26/2008 Signature

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

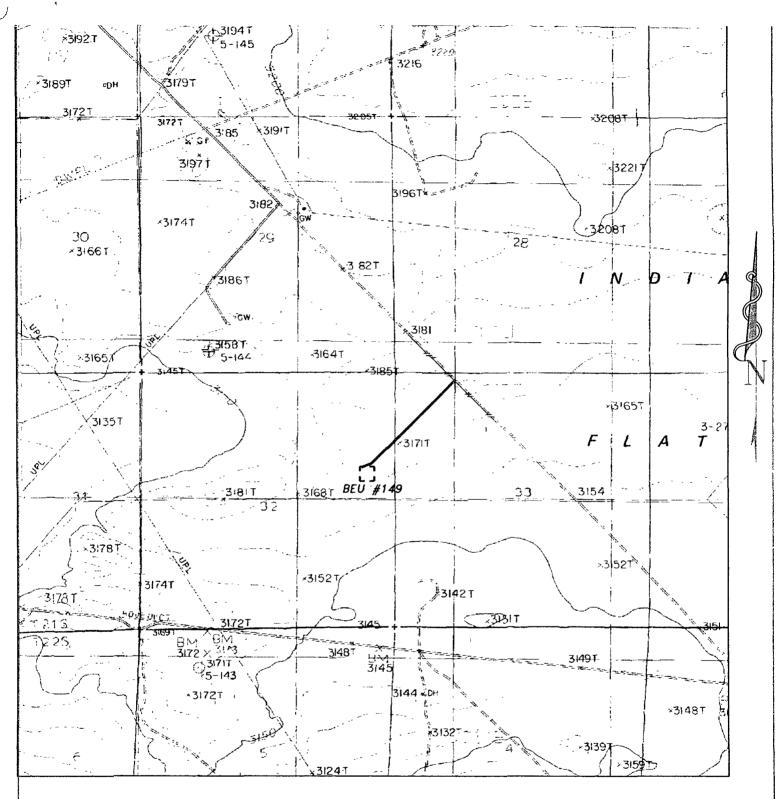
which would entitle the applicant to conduct operations thereon.

Title

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.



# PROPOSED PIPELINE TO THE BEU #149

Sections 32&33, Township 21 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



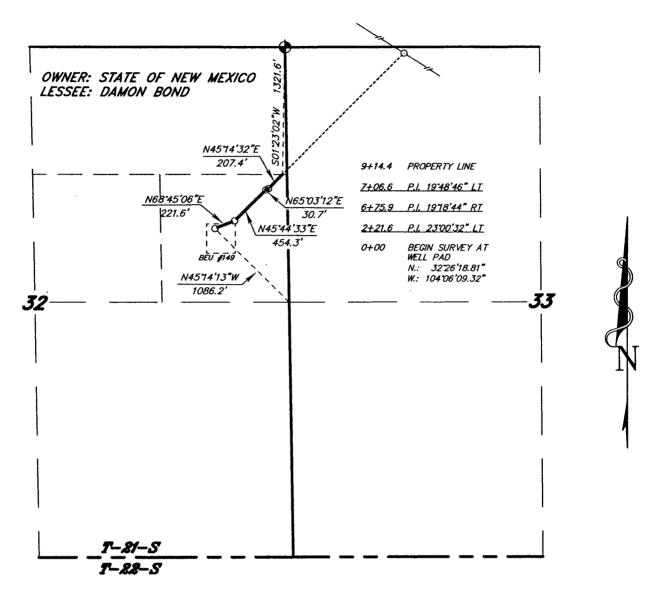
P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com

WO Number	JMS	20479	
Survey Date.	09-	18-2008	
Scale: 1" = 2	000'		
Date: 09-19-	-2008		

BEPCO, L.P.

DECTION DE, TOWNDIME ET DOUTH, MANGE EU EADI, M.M.F.M., EDDY COUNTY.

NEW MEXICO.

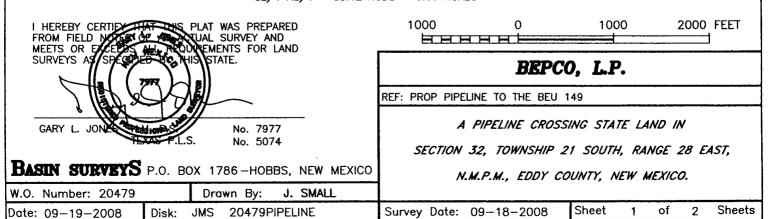


#### LEGAL DESCRIPTION

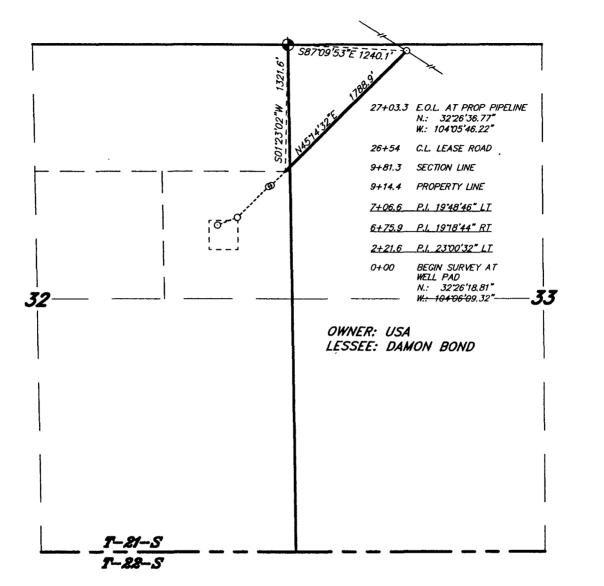
A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 32, TOWNSHIP 21 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

BEGINNING AT A POINT WHICH LIES N.45'14'13"W., 1086.2 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 32; THENCE N.68'45'06"E., 221.6 FEET, THENCE N.45'44'33"E., 454.3 FEET; THENCE N.65'03'12"E., 30.7 FEET; THENCE N.45'14'32"E.,207.4 FEET TO A POINT ON THE NORTH PROPERTY LINE WHICH LIES S.01'23'02"W., 1321.6 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 32. SAID STRIP OF LAND BEING 914.4 FEET OR 55.42 RODS IN LENGTH AND CONTAINING 0.63 ACRES, MORE OR LESS, AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 NE/4 = 55.42 RODS = 0.63 ACRES



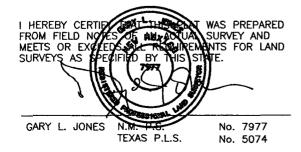
DECITORO JECCO, IUMNORIE EL DUULR, MANGE EU EADI, M.M.F.M., NEW MEXICO. EDDY COUNTY.



## LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTIONS 32&33, TOWNSHIP 21 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

> SECTION 32 = 66.9 FEET = 4.05 RODS = 0.01 MILES = 0.05 ACRES SECTION 33 = 1722.0 FEET = 104.37 RODS = 0.33 MILES = 1.18 ACRES = 1788.9 FEET = 108.42 RODS = 0.34 MILES = 1.23 ACRES



BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

20479PIPELINE

J. SMALL W.O. Number: 20479 Drawn By: Disk: JMS

Date: 09-19-2008

1000 1000 2000 FEET 

## BEPCO, L.P.

REF: PROP PIPELINE TO THE BEU 149

A PIPELINE CROSSING USA LAND IN SECTIONS 32&33, TOWNSHIP 21 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

of Sheet **Sheets** Survey Date: 09-18-2008

BLM LEASE NUMBER _	State	
COMPANY NAME	BEPCO, L.P.	
WELL NO. & NAME	BEU #149	

#### BURIED PIPELINE STIPULATIONS

A copy of the Sundry Notice 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 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. Blading of all vegetation will be allowed. Blading is defined as the complete removal of brush and ground vegetation. Clearing of brush species will be allowed. Clearing defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface. In areas where blading and/or clearing is allowed, maximum width of these operations will not exceed 35 feet.
- 8. 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.
- 9. 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 row, piles, or berms, unless otherwise approved by the Authorized Officer. A berm will be left over the ditch line to allow for settling back to grade.
- 10. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 11. The holder will reseed. 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

- 12. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2.
- 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. 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.

- 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 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.