	UNITED STATES PARTMENT OF THE II UREAU OF LAND MANA	NTERIOR		CD Artes	OMB N	APPROVED O. 1004-0137 anuary 31, 2018
	UD AILES	 Lease Serial No. NMNM98122 	undury 51, 2010			
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.					6. If Indian, Allottee	or Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on page 2						ement, Name and/or No.
1. Type of Well Gas Well Other					8. Well Name and No. SKELLY UNIT 26	
2. Name of Operator Contact: DEBI GORDON LINN OPERATING INC. E-Mail: DGORDON@LINNENERGY.COM					 API Well No. 30-015-28811 	
3a. Address 3b. Phone No. (include area code) 600 TRAVIS ST. SUITE 5100 Ph: 281-840-4010 HOUSTON, TX 77002 Fx: 832-209-4340					10. Field and Pool or GRAYBURG-J	
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			11. County or Parish,	State
Sec 21 T17S R31E Mer 6PM 32.813110 N Lat, 103.875022 W Lon					EDDY COUNT	Y, NM
12. CHECK THE AN	PPROPRIATE BOX(ES)	TO INDICATE	ENATURE O	F NOTICE, 2	REPORT, OR OT	HER DATA
TYPE OF SUBMISSION			TYPE OF	F ACTION		
Notice of Intent	Acidize	🗖 Deeper	n	D Producti	on (Start/Resume)	UWater Shut-Off
_	Alter Casing	🗖 Hydrau	ulic Fracturing	🗖 Reclama	tion	Well Integrity
Subsequent Report	Casing Repair	🛛 New C	onstruction	🗖 Recomp	lete	Other
Final Abandonment Notice	🗖 Change Plans		nd Abandon	Tempora	arily Abandon	
	Convert to Injection	🗖 Plug B	ack	🗖 Water D	isposal	
If the proposal is to deepen direction Attach the Bond under which the wor following completion of the involved testing has been completed. Final Al determined that the site is ready for f Linn respectfully requests app pressure fiberglass injection li the attached drawing. The NM	rk will be performed or provide l operations. If the operation re pandomment Notices must be fil inal inspection. proval to relocate an existi ne that is currently under	the Bond No. on fi sults in a multiple o led only after all req ing 8" steel roac neath Highway 8	le with BLM/BIA ompletion or reco uirements, includ l bore containi 82 in Eddy Co	Required sub impletion in a n ing reclamation ng a 3" high unty, NM per	sequent reports must be ew interval, a Form 31 a, have been completed	e filed within 30 days 60-4 must be filed once
injection flowline to accommo	date the Highway 82 expa	ansion.	le existing toa	u bore anu	NM OIL	CONSERVATION
The diameter of the bore is 8"	and will be 550' in length	. At the terminu	s of the bore o	n the north		TESIA DISTRICT
The diameter of the bore is 8" and will be 550' in length. At the terminus of the bore on the north and south sides a 3" 2500 psi fiberglass injection line will be buried along the road ROW and wil tie-in to an existing 3" fiberglass injection line.					JL	JL 1 0 2017
A cultural and archaeological survey was performed and reviewed with the BLM. Linn will be required to have an arch/cultural monitor on location during operations. The entry point of the bore is located outside any existing archaeological sites in the area. Should any cultural or					RECEIVED	
Approved DI	30/2017	CCR				
14. I hereby certify that the foregoing is	Electronic Submission #	PERATING INC.	. sent to the Ca	arisbad		
Name (Printed/Typed) DEBI GOI				ATORY MAI		
Signature (Electronic S	Submission)	I	Date 03/29/2	017		
	THIS SPACE FO	OR FEDERAL	OR STATE	OFFICE US	SE	(/
Approved By	Myty		Title ff	/ FIELD N	IANAGER	Date 7/0011-
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent which would entitle the applicant to condu-	uitable title to those rights in the	e subject lease	Office C.	ARLSBAD F	ELDOFFICE	
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent				willfully to ma	ke to any department o	r agency of the United
(Instructions on page 2) ** OPERAT	OR-SUBMITTED ** O	PERATOR-SI	JBMITTED *	* OPERAT) **

in

Rw 7-10-17

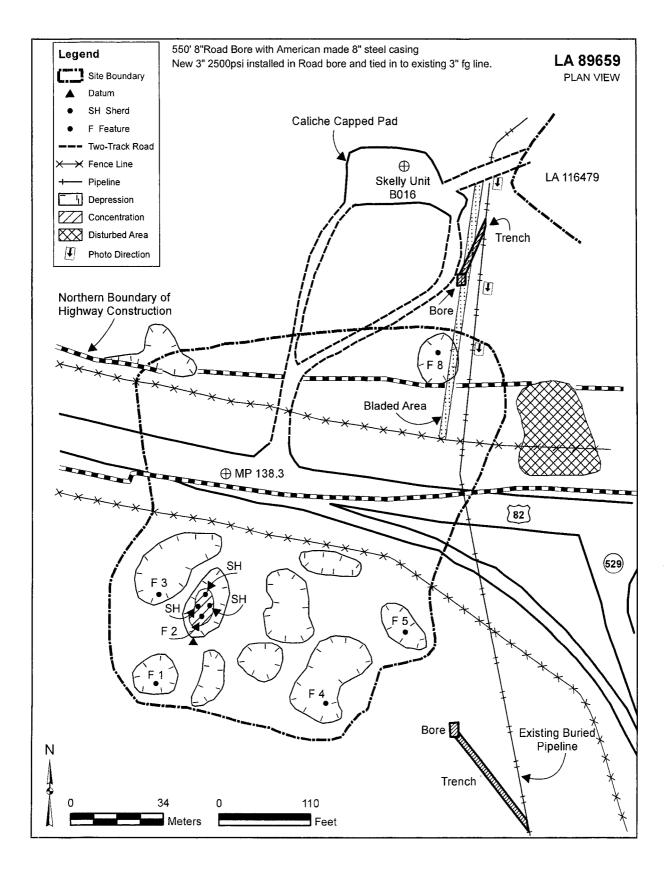
Additional data for EC transaction #371564 that would not fit on the form

32. Additional remarks, continued

archaeological artifacts be encountered during operations, work will cease immediately and the BLM will be promptly notified.

In addition, a review of the area for mitigation measures for the Lesser Prairie Chicken and Sand Dunes Lizard was reviewed with CEHMM. Per this review a Sand Dunes Lizard monitor will be required on location during operations.

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United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Field Office

Cultural Resources Conditions of Approval

Historic properties 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.

Date of Issue: 04/05/2017

Consultant No.: 2256

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BLM Report No.: NM-523-17-0333

Project Name: Pipeline Boring Under HWY 82

1. Professional Archaeological Monitoring:

Contact your project archaeologist, or BLM's Cultural Resources Section for assistance.

These stipulations must be given to your monitor at least 5 days prior to the start of construction.

No construction, including vegetation removal or other site prep may begin prior to the arrival of the monitor.

2. Mitigation Measures:

The following sites will require monitoring of all ground disturbing activities within 100 feet:

-LA89659

-LA116479

3. Documentation:

Submit a brief monitoring report within 30 days of completion of monitoring. Consult with BLM Archaeologists on potential site update requirements.

4. Other:

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.

An archaeological monitor must be notified five days prior to any ground disturbing activities. The monitor must be present at sites LA 89659 and LA 116479 during all construction activities.

For assistance, contact BLM Cultural Resources:

Stephanie Bergman	(575) 234-2239	Bruce Boeke	(575) 234-5917
Martin Stein	(575) 234-5967		

BLM LEASE NUMBER: NMNM098122 <u>COMPANY NAME</u>: Linn Operating <u>ASSOCIATED WELL NAME</u>: Skelly Unit 260

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 <u>et seq.</u> (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 <u>36</u> 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-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 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: 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.

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:

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 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.

Dunes Sagebrush Lizard Trenching Stipulation Monitor

- Pre-construction contact with a BLM wildlife biologist is required 5 days prior to any ground disturbing activities associated with the project occurs.
- Successful completion of the BLM Trench Stipulation Workshop is required for a nonagency person to be approved as a monitor.

Any trench left open for (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, an agency approved monitor shall walk the entire length of the open trench and remove all trapped vertebrates. The bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released a minimum of 100 yards from the trench.

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- > For trenches left open for eight (8) hours or more the following requirements apply:
 - Earthen escape ramps and/or structures (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench. Metal structures will <u>not</u> be authorized. Options will be discussed in detail at the required Trench Stipulation Workshop.
 - One approved monitor shall be required to survey up to three miles of trench between the hours of 11 AM-2 PM. A daily report (consolidate if there is more than one monitor) on the vertebrates found and removed from the trench shall be provided to the BLM (email/fax is acceptable) the following morning.
 - Prior to backfilling of the trench all structures used as escape ramps will be removed and the bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released a minimum of 100 yards from the trench.
- This stipulation shall apply to the entire length of the project in the DSL habitat polygon regardless of land ownership or CCA/CCAA enrollment status.
- A project closeout will be required within three business days of the completion of the project.

"Seed Mixture"

Lease Number NMNM098122

Project name: Skelly Unit 260

Seed Mixture for LPC Sand/Shinnery Sites

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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 no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall 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). 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. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may 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:

Species	<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