APPENDIX 2 ROSWELL DISTRICT CONDITIONS OF APPROVAL

This appendix describes standard conditions of approval. When appropriate, conditions of approval may be selected from this list and attached to use authorizations. A check-list or other suitable means may be used to identify applicable conditions of approval. The emphasis is primarily on oil and gas operations and rights-of-way, but these conditions may be applied to other activities, as well.

GENERAL CONDITIONS OF APPROVAL

- 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 authorization.
- 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 project/pipeline route or on facilities authorized. (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 this project/pipeline (unless the release or threatened release is wholly unrelated to the holder's activity on the pipeline). 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 authorization, any oil or other pollutant should be discharged, impacting Federal lands, the control and total removal, disposal, and cleaning up 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. 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 shall 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.

- 6. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes.
- 7. The holder shall be responsible for weed control on disturbed areas within the limits of the site. The holder is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods, which include following EPA and BLM requirements and policy.
- 8. The holder shall be responsible for maintaining the site in a sanitary condition at all times; waste materials shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment.

BURIED PIPELINES (RIGHT-OF-WAY) (PERMIT)

- 9. The holder shall conduct all activities associated with the construction, operation, and termination of the pipeline within the authorized limits.
- 10. The pipeline shall be buried with a minimum cover of _____ inches between the top of the pipe and ground level.
- 11. Blading of all vegetation **shall/shall not** be allowed. Blading is defined as the complete removal of brush and ground vegetation. Clearing of brush species shall be allowed. 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. In areas where blading and/or clearing is allowed, the maximum width of these operations shall not exceed _______ feet.
- 12. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall 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 shall be allowed unless approved by the Authorized Officer.
- 13. Vegetation, soil, and rocks left as a result of construction or maintenance activity shall be randomly scattered over the project area and shall not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer, except that an earthen berm shall be left over the ditch line to allow for settling back to grade.
- 14. The holder shall seed all surface disturbed by construction activities. Seeding shall be done according to the attached seeding requirements (Exhibit ___), using the attached seed mixture (as determined to meet Desired Plant Community objectives).

| All above-ground structures not sub | pject to safety requirements shall be painted by the h | older to blend |
|---|--|----------------|
| with the natural color of the landscape. | The paint used shall be a color which simulates "S | Standard Envi- |
| ronmental Colors" designated by the R | ocky Mountain Five-State Interagency Committee. | The color se- |
| lected for this project is | , Munsell Soil Color Chart Number | |

- 16. The holder shall post signs designating the BLM serial number assigned to this authorization at the following locations: the points of origin and completion, or entry to and exit from public lands, of the pipeline and at all major road crossings. These signs shall be posted in a permanent, conspicuous manner, and shall be maintained in a legible condition for the term of the authorization.
- 17. 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 shall take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

SURFACE INSTALLED PIPELINE

- 18. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. **2803/2883**. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from fire or soil movement (including landslides and slumps as well as wind and water caused movement of particles) caused or substantially aggravated by any of the following within the 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.

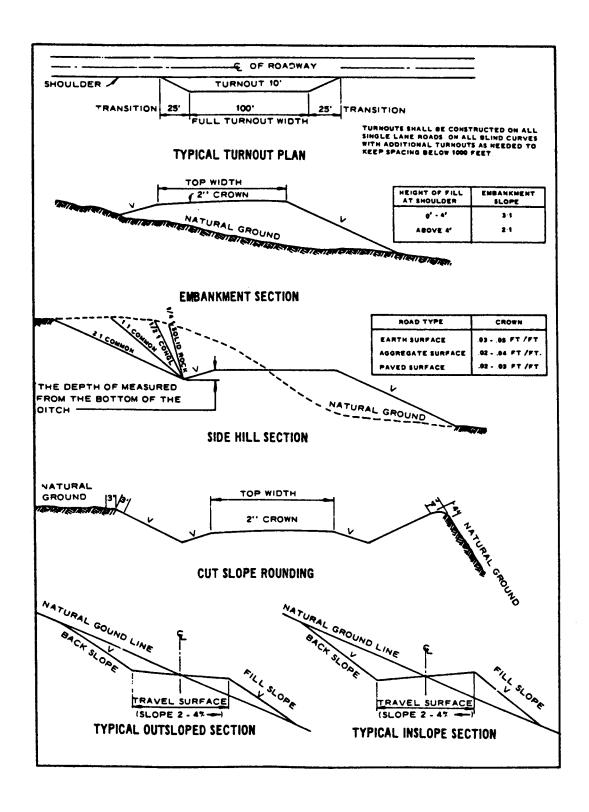
The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction of in which the damage of injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from the negligent acts of the United States.

- 19. The holder shall conduct all activities associated with the construction, operation, and termination of the pipeline within the authorized width of ______ feet.
- 20. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.
- 21. 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 or duney areas, the pipeline will be "snaked" around hummocks and dunes rather than suspended across these features.

| 22. The pipeline shall be buried a minimum of inches under all roads, including "two-tracks" and trails. Burial shall continue for 20 feet on each side of each crossing. The condition of the road, upon completion of the construction, shall be returned to at least its former state, with no bumps, dips, or soft spots remaining in the road surface. |
|--|
| 23. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall 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 shall be allowed unless approved by the Authorized Officer. |
| 24. 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, Munsell Soil Color Chart Number |
| 25. The holder shall post signs designating the BLM serial number assigned to this pipeline at the following locations: the points of origin and completion, or entry to and exit from public lands, of the pipeline and at all major road crossings. These signs shall be posted in a permanent, conspicuous manner, and shall be maintained in a legible condition for the term of the authorization. |
| 26. 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 shall take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. |
| PERMANENT RESOURCE ROADS |
| Road Width and Grade |
| 27. The road will have a driving surface of feet (all roads shall have a minimum driving surface of feet, unless local conditions dictate a different width). The maximum grade is 10 percent unless the box below is checked. Maximum width of surface disturbance from construction will be feet. |
| |
| Crowning and Ditching |
| 28. Crowning with materials on site and ditching on one side of the road on the uphill side will be required. The road cross-section will conform to the cross section diagrams in Figure A4-1. If conditions dictate, ditching may be required for both sides of the road; if local conditions permit, a flat-bladed road may be considered (if these conditions exist, check the appropriate box below). The crown shall have a grade of approximately 2 percent (i.e., 1" crown on a 14' wide road). |
| |
| |

FIGURE A2-1: CROSS-SECTIONS AND PLANS FOR TYPICAL ROAD SECTIONS



Drainage

- 29. Drainage control shall be ensured over the entire road through the use of borrow ditches, outsloping, insloping, natural rolling topography, lead-off (turnout) ditches, culverts, and/or drainage dips.
- A. All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval for lead-off ditches shall be determined according to the following table, but may be amended depending upon existing soil types and centerline road slope (in %):

SPACING INTERVAL FOR TURNOUT DITCHES Percent slope Spacing interval

| 0% - 4% | 400' - 150' |
|----------|-------------|
| 4% - 6% | 250' - 125' |
| 6% - 8% | 200' - 100' |
| 8% - 10% | 150' - 75' |

A typical lead-off ditch has a minimum depth of 1 foot below and a berm 6 inches above natural ground level. The berm will be on the down-slope side of the lead-off ditch. The ditch end will tie into vegetation whenever possible.

For this road the spacing interval for lead-off ditches shall be at

- /_/ 400 foot intervals.
 /_/ foot intervals.
 /_/ locations staked in the field as per spacing intervals above.
 /_/ locations delineated on the attached map.
- B. Culvert pipes shall be used for cross drains where drainage dips or low water crossings are not feasible. The minimum culvert diameter must be 18 inches. Any culvert pipe installed shall be of sufficient diameter to pass the anticipated flow of water. Culvert location and required diameter are shown on the attached map (Further details can be obtained from the Roswell District Office or the appropriate Resource Area Office).
- C. On road slopes exceeding 2%, drainage dips shall drain water into an adjacent lead-off ditch. Drainage dip location and spacing shall be determined by the formula:

Example: 4% slope: spacing interval = $\frac{400}{4}$ + 100 = 200 feet

Turnouts

| 30. | Unless | otherwise a | approved by | the Auth | horized (| Officer, v | vehicle turno | outs will be | required. | Turnouts | wil |
|-----|---------|--------------|---------------|----------|-----------|------------|---------------|--------------|-----------|----------|-----|
| be | located | at 2000-foo | ot intervals, | or the t | turnouts | will be | intervisible, | whichever | is less. | Turnouts | wil |
| con | form to | the followin | g diagram: | | | | | | | | |
| | | | | | | | | | | | |

| CENTER LINE OF ROADWAY |
|------------------------|
| |
| TURNOUT - 10' WIDE |
| <-25'-> 50' <-25'-> |

STANDARD TURNOUT - PLAN VIEW

Surfacing

31. Surfacing of the road or those portions identified on the attached map may, at the direction of the Authorized Officer, be required, if necessary, to maintain traffic within the right-of-way with caliche, gravel, or other surfacing material which shall be approved by the Authorized Officer. When surfacing is required, surfacing materials will be compacted to a minimum thickness of _____ inches of _____. The width of surfacing shall be no less than the driving surface. Prior to using any mineral materials from an existing or proposed Federal source, authorization must be obtained from the Authorized Officer.

Cattleguards

32. Where used, all cattleguard grids and foundation designs and construction shall meet the American Association of State Highway and Transportation Officials (AASHTO) Load Rating H-20, although AASHTO U-80 rated grids shall be required where heavy loads (exceeding H-20 loading), are anticipated (See BLM standard drawings for cattleguards). Cattleguard grid length shall not be less than 8 feet and width of not less than 14 feet. A wire gate (16-foot minimum width) will be provided on one side of the cattleguard unless requested otherwise by the surface user.

Maintenance

- 33. A. The holder shall maintain the road in a safe, usable condition. A maintenance program shall include, but not be limited to blading, ditching, culvert installation, culvert cleaning, drainage installation, cattleguard maintenance, and surfacing.
- B. Failure of the holder to share maintenance costs in dollars, equipment, materials, or manpower proportionate to the holders use with other authorized users may be adequate grounds to terminate the authorization. The determination as to whether this has occurred and the decision to terminate shall rest with the Authorized Officer. Upon request, the Authorized Officer shall be provided with copies of any maintenance agreement entered into.

Public Access

34. Public access along this road will not be restricted by the holder without specific written approval being granted by the Authorized Officer. Gates or cattleguards on public lands will not be locked or closed to public use unless closure is specifically determined to be necessary and is authorized in writing by the Authorized Officer.

Road Rehabilitation Specifications

35. When the road is abandoned, it will be ripped at least sixteen inches deep, including turnouts. The caliche may be reclaimed for re-use before ripping, if so desired. Alternately, the caliche can be plowed under with a grader, or other soil turning device, and the plowed surface disked before seeding. All culverts or other structures will be removed. All fill material will be replaced into the cut areas; barrow and lead-off ditches, drainage dips, or other erosion control earthwork will be filled or smoothed; and the abandoned road returned to the natural contours, as closely as possible. Water breaks at least eight inches high will be constructed as shown on accompanying Illustration Sheet. Traffic barriers will be installed at all vehicular access points to prevent further use of the road.

| Reseed | the | entire | area | with | the | following | mixture | (to | be | determined | by | DPC): |
|--------|-----|--------|------|------|-----|-----------|---------|-----|----|------------|----|-------|
| | | | | | | | | | | | | |

All disturbed areas are to be seeded with the seed mixture listed above. The seed and any fertilizer involved are to be applied together by broadcasting with a seed spreader, then harrowed for seed coverage. Use of a seed drill is acceptable. Appropriate measures will be taken to ensure that the seed/fertilizer mixture is evenly and uniformly planted. There will be no primary or secondary noxious weeds in the seed mixture. Seed will be tested for viability and purity in accordance with State law(s) within nine months prior to purchase. Commercial seed will be either certified or registered and the seed mixture container will be tagged in accordance with State law(s). The seed will be available for inspection by the Authorized Officer. The seeding will be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth will not be made before completion of the first growing season after seeding. Waiver of this requirement would be considered if diligent attempts to revegetate a site have failed and the Authorized Officer determines that further attempts would be futile.

Normally, the best time for seeding is between June 15 and September 15. However, the grantee may reseed immediately after completing surface abandonment procedures. The BLM reserves the right to require reseeding at a specific time if seed does not germinate after one complete growing season. Contact the appropriate resource area office at ___(Phone No.)__ at least two working days before the start of reseeding activities or if there are any questions.

OVERHEAD ELECTRIC DISTRIBUTION LINES

- 36. The holder shall conduct all activities associated with the construction, operation, and termination of the powerline within the authorized limits.
- 37. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

38. Powerlines shall be constructed to standards outlined in "Suggested Practices for Raptor Protection on Powerlines," Raptor Research Foundation, Inc., 1981, unless otherwise agreed to by the Authorized Officer in writing.

The holder is responsible for demonstrating that power pole designs not meeting these standards are "raptor safe." Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modifications or additions to power line structures constructed under this authorization, should they be necessary to ensure the safety of large perching birds. These modifications and/or additions shall be made by the holder without liability or expense to the United States.

- 39. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence will 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.
- 40. Construction holes left open over night shall be covered. Covers shall be secured in place and shall be strong enough to prevent livestock or wildlife from falling through and into a hole.
- 41. The holder shall evenly spread the excess soil excavated from pole holes in the immediate vicinity of the pole structure.
- 42. The BLM serial number assigned to this authorization grant shall be posted in a permanent, conspicuous manner, and be maintained in a legible condition for the term of the authorization at all major road crossings and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.
- 43. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures prescribed in the grant or determined at the time of abandonment.
- 44. All surface structures (poles, lines, transformers, *etc.*) shall be removed within _____ days of abandonment, relinquishment, or termination of use of the serviced facilities or within _____ days of abandonment, relinquishment, or termination of this authorization, whichever comes first. This will not apply where the powerline extends to serve an active, adjoining facility or facilities.

COMMUNICATION SITES

- 45. The authorization is conditioned upon the submission of a copy of an approved license and/or renewal license granted by the Federal Communications Commission (FCC) or the Interdepartmental Radio Advisory Committee (IRAC) for each electronic station installation authorized or future amendments of this authorization. A copy of the FCC or IRAC authorization shall be submitted within 90 days of issuance of this authorization or within 90 days following approval of an amendment to this authorization. Failure to submit the FCC or IRAC authorization copy within the time specified shall be grounds for termination of this authorization or cancellation of an amendment to this authorization. The Authorized Officer may grant an extension of up to 90 days, if requested in writing by the holder.
- 46. The holder and its sublessees shall at all times operate their radio-electronic equipment in such a manner as not to cause interference with radio-electronic operations of existing users in the vicinity. If such interference results from holder's or sublessee's operations, holder shall promptly, at its own

expense, modify the equipment and operations, or shut down if necessary to eliminate or reduce the interference to the satisfaction of the FCC, IRAC, and/or the Authorized Officer.

- 47. The holder shall notify the Authorized Officer of any intent to locate additional users within or upon their existing facilities, not less than 45 days prior to occupancy of holder's facilities. Information that must be included is:
- a. Name, current address, and phone number of the third party user(s).
 - b. Expected date of occupancy.
- c. A photo or sketch of the type of antennas to be installed, as well as any other planned physical changes to the exterior facilities operated by the holder. If the proposed use is not specified in the original authorization shall be required.
- 48. No less than 45 days prior to occupancy of the holder's facility, the holder shall notify existing users within a 1-mile radius that the holder intends to accommodate a new communication user in its facility. Existing users can then file any comments pertaining to potential frequency or electromagnetic problems with the Federal Communications Commission, 1919 M Street NW, Washington, DC 20554, with a copy to the Authorized Officer.
- 49. The holder shall be responsible for the actions and operations of any third party users associated with this facility. All such use shall be subject to the applicable terms, conditions, and stipulations of this authorization.
- 50. 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 _______, Munsell Soil Color Chart Number _____.
- 51. The holder shall post signs designating the BLM serial number assigned to this facility at the points of entry to and exit from the site. These signs shall be posted in a permanent, conspicuous manner, and shall be maintained in a legible condition for the term of the authorization.
- 52. The holder agrees to share road maintenance costs with all present and future users of the access road. At such future time as a Users Association for this communication site is formed, the holder shall join the Users Association and remain a member in good standing. Within 30 days of the creation of such Users Association the holder shall provide the authorized officer with evidence of membership. Failure of the holder to join the Users Association and remain a member in good standing shall constitute sufficient grounds for termination of this authorization.

OIL AND GAS RELATED SITES (RIGHT-OF-WAY)

| 53. | All above-ground structures n | ot subject to safety requirements shall be painted by the | holder to blend |
|-------|--------------------------------|---|-----------------|
| with | the natural color of the lands | cape. The paint used shall be a color which simulates " | Standard Envi- |
| ronn | nental Colors" designated by | he Rocky Mountain Five-State Interagency Committee | . The color se- |
| lecte | ed for this project is | , Munsell Soil Color Chart Number | |

54. The holder shall post a sign designating the BLM serial number assigned to this authorization in a permanent, conspicuous location on the site where the sign will be visible from the entry to the site. This sign will be maintained in a legible condition for the term of the authorization.

SALTWATER DISPOSAL WELLS (COMMERCIAL)

- 55. This permit is subject to all terms, conditions, and stipulations of the NMOCD approval and applicable Roswell District General Requirements for Oil and Gas Operations on Federal Leases (copy attached).
- 56. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. **2803/2883**. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from fire or soil movement (including landslides and slumps, and movement by wind and water) caused or substantially aggravated by any of the following within the authorized site or facilities:

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.

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 of in which the damage of injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from the negligent acts of the United States.

57. As a guarantee of faithful performance of the provisions of this grant, the holder agrees to deliver and maintain a surety bond, or other performance security acceptable to the Authorized Officer, in the amount of ______, (minimum of \$25,000) to cover the costs of plugging and reclamation. Should the sureties or bonds delivered under this grant become unsatisfactory to the Bureau, the holder shall, within thirty (30) days of demand, furnish a new bond, or other acceptable security, with surety.

The holder may deposit in a Federal depositor as directed by the Bureau, and maintain therein, cash in the amounts provided for above or negotiable securities of the United States having a market value at the time of deposit of not less than the dollar amounts provided for above.

- 58. The holder agrees to secure the prior approval of the Authorized Officer before commencing any operations such as: drilling out cement plugs, cementing operations, perforating (using explosive or hydraulic fracturing), deepening, altering or pulling a portion of the well's casing, plugging operations, or any other operation affecting the well.
- 59. The holder agrees to use the well solely for salt water disposal. No other substance—including oil, condensates, sludge, drilling fluids, other chemicals, or any toxic pollutant (as this term is defined under the Clean Water Act 40 CFR 104-149, Section 502)—shall be injected.
- 60. At any time deemed necessary by the Authorized Officer, earthen dikes shall be constructed and maintained around all tanks, vessels, and storage facilities. These dikes will be designed to contain, at

a minimum, the entire contents of the largest tank within the facility, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

| All above-ground struct | ures not subject to safe | ety requirements shall | I be painted by the | holder to blend |
|---|--------------------------|-------------------------|---------------------|------------------|
| with the natural color of the | landscape. The paint | used shall be a color | which simulates | "Standard Envi- |
| ronmental Colors" designat | ed by the Rocky Moun | itain Five-State Intera | agency Committee | e. The color se- |
| lected for this project is | | , Munsell Soil Color C | Chart Number | |

- 62. The holder shall post a sign in a permanent, conspicuous location at the site. At a minimum, the sign will state the holder's name, the well name, the BLM serial number, and the legal location by township, range, and quarter-quarter of section. The sign will be maintained in a legible condition for the term of the authorization.
- 63. Upon cancellation, relinquishment, or expiration of this authorization, the holder shall comply with those abandonment procedures, including restoration and decontamination (if necessary) of the surface and plugging of the wellbore, prescribed in the authorization or determined at the time of abandonment.

BURIED TELEPHONE CABLES

- 64. The holder shall conduct all activities associated with the construction, operation, and termination of the telephone line within the authorized limits.
- 65. There shall be no clearing or blading of the telephone route unless otherwise agreed to in writing by the Authorized Officer.
- 66. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall 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 shall be allowed unless approved by the Authorized Officer.
- 67. Vegetation, soil, and rocks left as a result of construction, drilling, or maintenance activity shall be randomly scattered over the project area and shall not be left in rows, piles, or berms (except for a berm left over the ditch line to allow for settling back to grade), unless otherwise approved by the Authorized Officer.
- 68. The holder shall post signs designating the BLM serial number assigned to this authorization at the following locations: the points of origin and completion, or entry to and exit from public lands, of the telephone line and at all major road crossings. These signs shall be posted in a permanent, conspicuous manner, and shall be maintained in a legible condition for the term of the authorization.

| 69. | All above-ground struct | ures not subje | ct to safety red | quirements shal | I be painted by the | holder to blend |
|------|--------------------------|----------------|------------------|-------------------|---------------------|-----------------|
| with | the natural color of the | landscape. T | he paint used | shall be a color | r which simulates " | Standard Envi- |
| ronr | mental Colors" designat | ed by the Roc | ky Mountain F | Five-State Intera | agency Committee | . The color se- |
| lect | ed for this project is | - | , Mun | sell Soil Color C | Chart Number | |

70. The holder shall not use the telephone cable route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder shall take whatever steps are necessary to ensure that the telephone cable route is not used as a roadway.

CATHODIC PROTECTION SITES

71. Unless otherwise approved, in writing, by the Authorized Officer, the holder shall reseed all surface disturbed by construction activities. If reseeding is required, it will be done according the attached seeding requirements (Exhibit), using seed mixture as determined by DPC.

| All above-ground structures not se | ubject to safety requirements shall be painted by the holder to blend |
|--|---|
| with the natural color of the landscape | e. The paint used shall be a color which simulates "Standard Envi- |
| ronmental Colors" designated by the | Rocky Mountain Five-State Interagency Committee. The color se- |
| lected for this project is | Munsell Soil Color Chart Number |

73. The holder shall post a sign designating the BLM serial number assigned to this authorization and the holder's name at the site. This sign will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the term of the authorization.

APPLICATION FOR PERMIT TO DRILL

74. The operator shall post signs identifying the location permitted herein in accordance with the requirements contained in Onshore Oil and Gas Order #1 and 43 CFR 3162.6.

THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN:

(example) OPERATORS NAME: XYZ Oil & Gas Company

WELL NAME & NO: #1 XYZ Federal

LEASE NO.: <u>NM-XXXXX</u>

LOCATION: XX' FXL & XX' FXL - Sec. XX, T. XX S., R. XX E., NMPM

On Lease - Surface Requirements Prior to Drilling:

- 75. The approval of this action does not in any way grant or imply approval of any off-lease or off-unit action. It is the responsibility of the applicant to obtain any such approvals from the appropriate surface managing agency, including the B.L.M., and/or any private landowners.
- 76. The BLM will monitor construction on this drill site. Notify the appropriate Resource Area Office, BLM at least <u>(specify)</u> working days prior to commencing construction at (505)_____.
- 77. Prior to commencing construction of the road, pad, or other associated developments, the operator shall provide the dirt contractor with a copy of the approved Surface Use Plan and the attached Conditions of Approval.
- 78. All vehicles and equipment associated with drilling, completion, or production phases of this well shall be confined to the approved road, pad, and other areas herein approved.
- 79. All topsoil and vegetation encountered during the construction of the drill site areas shall be stock-piled and made available for resurfacing of the disturbed areas after completion of the drilling operations. Topsoil on the (well name and number) is approximately <u>(specify)</u> inches in depth. A minimum of approximately <u>(specify)</u> cubic yards of topsoil material shall be stockpiled on the <u>(specify)</u> edge / at the <u>(specify)</u> corner of the location for reclamation of the pad and pit area.

- 80. The drill pad and access road for this well must be surfaced with <u>(specify)</u> inches of compacted caliche, gravel, or other approved surfacing material.
- 81. Caliche, gravel, or other related materials from new or existing pits on Federal mineral estate shall not be taken without prior approval from the Authorized Officer.
- 82. Payment for Federal mineral materials to be used for construction is required <u>prior</u> to construction of the pad and access road.

Drilling Pits:

- 83. A. Reserve pits shall be constructed such that at least one half the total pit volume is below natural ground level (minimum of 4 feet) unless approved by the Authorized Officer or a metal closed pit system is used. All mud pits shall be constructed so as not to leak, break, or allow discharge of liquids. Pits are not to be located in any natural drainage. Any plastic material used to line pits, must be at least __ mil in thickness, have a bursting strength of ___ PSI, and be removed to below ground level before the pits are covered.
- B. Reserve pits shall be fenced on three sides during drilling operations. The fourth side shall be fenced immediately upon rig release. Any pit or open top tank containing oil and/or toxic liquids shall be equipped to deter entry by birds, bats, and other wildlife, and livestock.
- C. Liquids in pits will be allowed to evaporate, or be properly disposed of otherwise, before pits are reclaimed. Under no circumstances shall pits be cut to be drained.

Containment Dikes:

84. Firewalls/containment dikes are to be constructed and maintained around all storage facilities/batteries. The containment structure must have sufficient volume to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

Cave Protection Requirements:

- 85. A. If, during any construction activities any sinkholes or cave openings are discovered, all construction activities shall immediately cease, and the BLM office will be notified.
- 85. B. The BLM will, within 24 hours of notification in "A" above, conduct an on-the-ground field inspection for karst. At the field inspection, the authorized field inspector will authorize or suggest mitigating measures to lessen the damage to the karst environment. A verbal order to proceed or stop the operation will be issued at that time.

Painting:

| 86. All above-ground strue | ctures not subject | to safety require | ments shall be pa | ainted by the I | nolder to bler | ٦d |
|-------------------------------|--------------------|-------------------|--------------------|-----------------|----------------|-----|
| with the natural color of the | ne landscape. The | e paint used shal | I be a color which | h simulates "S | Standard Env | vi- |
| ronmental Colors" design | ated by the Rocky | y Mountain Five- | State Interagend | y Committee. | The color s | e- |
| lected for this project is _ | | , Munsell S | Soil Color Chart | Number | | |

Fences:

87. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall 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 shall be allowed unless approved by the Authorized Officer.

Well Completion Requirements:

- 88. If the well is completed, the reserve pit(s) shall be backfilled when dry, and cut-and-fill slopes shall be reduced to a slope of 3:1 or less. All areas of the pad not necessary for operations must be re-contoured to resemble the original contours of the surrounding terrain, and stockpiled topsoil must be re-distributed and the reclaimed area re-seeded. Seeding shall be done according to the attached seeding requirements (Exhibit B), using the attached seed mixture (as determined by Desired Plant Community).
- 89. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be modified to prevent birds and bats from entering them and to the extent practical to discourage perching and nesting.

New production equipment installed on federal leases after November 1, 1993, will have the open-vent exhaust stacks constructed to prevent the entry of birds and bats and, to the extent practical, to discourage perching and nesting.

Abandonment:

- 90. If the well is dry and is to be plugged, approval of the proposed plugging program may be obtained verbally. However, verbal approval must be confirmed in writing by immediately filing an original and the required number of copies of the Notice of Intent to Abandon (Form 3l60-5) with the appropriate BLM area office. The report should show the total depth reached, the reason for plugging, and the proposed intervals, by depths, where plugs are to be placed, type of plug, type of plugging mud, etc.
- 91. Following receipt of "Subsequent Report of Abandonment", final BLM requirements for surface reclamation will be as specified in the authorization or determined at the time of abandonment.
- 92. If the well is not drilled, notify the BLM so that an official release can be approved.

MINERAL MATERIAL SITES

- 93. All design, material, and construction, operation, maintenance, and termination practices shall be in accordance with safe and proven engineering practices.
- 94. The holder shall conduct all activities associated with the construction, operation, and termination of the material pit within the authorized limits.
- 95. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair impacted improvements to at least their former state. The holder shall 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 shall be allowed unless approved by the Authorized Officer.

- 96. The holder shall be responsible for the actions and operations of any third party users associated with this authorization. All such use shall be subject to the applicable terms, conditions, and stipulations of this authorization.
- 97. The road proposed as part of this authorization shall be constructed and maintained in accordance with BLM road standards, including the New Mexico Roads Policy.
- 98. The holder shall seed all surface disturbed by construction activities. Seeding shall be done according to the attached seeding requirements (Exhibit _____), using the attached seed mixture (as determined by DPC).
- 99. Suitable topsoil material removed in conjunction with clearing and stripping shall be conserved in stockpiles (within the material site) (at the following staked locations: specify location). Topsoil shall be stripped to an average depth of (specify) inches. A total of (specify) cubic yards of topsoil shall be stockpiled.
- 100. Excess excavated, unsuitable, or slide material shall be disposed of as directed by the Authorized Officer.
- 101. No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of (designate) inches deep, the soil shall be deemed too wet to adequately support construction equipment. 102. Existing roads and trails on public lands that are blocked as the result of the material pit activities shall be rerouted or rebuilt as directed by the authorized officer.
- 103. The holder shall recontour the disturbed area and obliterate all earthwork by removing embankments, backfilling excavations, and grading to reestablish the approximate original contour of the land as determined by the authorized officer.
- 104. The holder shall uniformly spread topsoil over all unoccupied disturbed areas. Spreading shall not be done when the ground or topsoil is frozen or wet.
- 105. The BLM will monitor construction on this material pit site. Notify the appropriate Resource Area Office, BLM at least <u>(specify)</u> working days prior to commencing excavation at (505) ______.

HYDROSTATIC TEST WATER DISCHARGE SITES

- 106. Before being authorized to discharge any hydrostatic test water, the Holder must submit to the BLM's Authorized Officer a hydrostatic test water discharge plan approved by the New Mexico Oil Conservation Division. Discharge of hydrostatic test water must comply with Environmental Protection Agency regulations described in 40 CFR 260, including testing the waste for hazardous waste characteristics before disposal. Generators of hydrostatic test water also must meet the discharge plan requirements of the New Mexico Water Quality Act and the New Mexico Water Quality Control Commission regulations 3-106b.
- 107. Prior to discharging hydrostatic test water from the pipeline, the Holder shall design and install a suitable energy dissipator at the outlet(s), and design and install appropriate erosion protection struc-

tures needed to ensure that there will be no erosion or scouring of the natural surface or channels within the affected area as a result of the discharge. The Holder will be held accountable for any erosion, scouring, or depletion of vegetation resulting from the discharge. Any structures or objects, including sandbags, rocks, hay bales, or other material installed for erosion control, will be removed from the site upon completion of the hydrostatic testing.

108. The Holder shall inform the Authorized Officer three working days prior to the completion of the hydrostatic test and water discharge.

FLOODPLAIN DEVELOPMENT

- 109. If a threat of flooding by the Pecos River occurs during drilling operations, the _____ Resource Area Manager will issue a shut-in order. Toxic substances and, possibly, drilling equipment will be removed from the floodplain.
- 110. A drilling pad will be elevated at least _____ (inches, feet) and surfaced according to Condition of Approval 80.
- 111. All riparian habitat will be protected according to instructions provided by the Authorized Officer. Trees will not be cut down unless authorized.
- 112. Self-contained metal tanks are required for floodplain locations.
- 113. Pits containing oil, tank bottoms or other hydrocarbons, salt water, or any toxic substances will not be allowed in the floodplain.
- 114. Provisions for containing salt water flow must be made prior to beginning drilling, without resorting to reserve pits constructed in the ground. Metal tanks or tank trucks must be in place to collect salt water. Salt water storage will not be allowed in the floodplain.
- 115. Production facilities will be located outside the floodplain.
- 116. Flowlines from the wellhead to production facilities will be buried, if soil conditions permit burial.
- 117. Special precautions will be taken to reduce damage from flooding:
- a. The well will be equipped with a down-hole shut-in device, rated at working pressure of 1,500 psi; or
- b. The wellhead will be buried below ground in a concrete cellar with a grate over it; or,
- c. Three steel posts will be set in concrete. Horizontal steel cross bars will connect the posts. Heavy gauge chain link fencing will be welded or bolted to the post and cross bars. The V must point upstream or in the direction specified.
- 118. Chemical toilets will be used instead of latrines.

DRILLING RIG STORAGE

119. The holder shall conduct all activities associated with the operation, and termination of the rig storage within the authorized limits. All activity will be limited to <u>(describe authorized area of activity)</u> and the immediate perimeter (describe distance--maximum of 20 feet).

- 120. If the storage of this rig should interfere with the producer's operations, the holder shall be required to remove it immediately.
- 121. Should the well be plugged and abandoned during the term of this permit, the permittee will be required either to remove the drilling rig within 30 days or assume all responsibility for restoration of the well pad and access road.
- 122. The BLM will be notified in writing within 30 days after removal of the drilling rig. Address correspondence to:

Bureau of Land Management Roswell Resource Area 2909 West Second Street Roswell, NM 88201 Attention: Realty Section

or

Bureau of Land Management Carlsbad Resource Area 620 E. Greene Carlsbad, NM 88220-6269 Attention: Realty Section

GEOPHYSICAL EXPLORATION

The following special conditions are attached, when needed, to the "Terms and Conditions for Notice of Intent to Conduct Geophysical Exploration." Figure A4-2 is a copy of the Notice of Intent, located at the end of this Appendix.

- 123. There shall be no 3-D geophysical activities in Lesser Prairie Chicken habitat between March 15 and June 15. Other geophysical operations may be conducted during this period if they do not commence until after 9:00 a.m. and are not conducted between the hours of 3:00 a.m. and 9:00 a.m. Any deviation from this requirement must be approved by the Authorized Officer.
- 124. All gas or diesel combustion engines must have mufflers installed to effectively reduce the impact of excessive noise levels within Lesser Prairie chicken habitat.
- 125. Sand dune lizard study sites (See Exhibit ___, map) identified in the project area shall be avoided by vehicles involved in geophysical operations. A flagged buffer zone surrounding the study sites will identify the areas of concern. No ATVs shall be driven within the study sites. Geophones shall be hand carried onto the study sites. Drive-arounds shall be strictly adhered to within the study site areas.
- 126. Geophysical operations at sand dune lizard study sites will be monitored. One day prior to commencing geophysical operations within the immediate areas of sand dune lizard study sites, the geophysical company's representative shall call ______ at _____ at _____.
- 127. All large, hummocky sand dunes encountered during geophysical operations shall be avoided by driving around the sand dunes.

- 128. Any large trees (e.g., soapberry, elm, or large mesquite) encountered in the area of operations shall be avoided and shall not be disturbed.
- 129. Playas shall be avoided by using re-routes or skips.
- 130. Wildlife watering facilities shall be avoided by using re-routes or skips.
- 131. Archaeological sites shall be avoided by adhering to the re-routes flagged in the field, which are listed in the attachment to the NOI. Additional cultural resources protections provided in cultural report, which are listed in the attachment, shall be followed.
- 132. Any fence needing to be cut during operations to allow access shall be immediately repaired to a condition as good as or better than the condition in which the fence was found. No fence shall be removed.
- 133. Where appropriate, disturbed areas shall be rehabilitated as directed by the Authorized Officer. Rehabilitation techniques may include, but are not limited to: ripping, disking, or other seed bed preparation; reseeding; placement of erosion control devices; and berming, barricading, and/or signing geophysical routes where they cross roads.
- 134. Operations shall be suspended when, in the judgement of the Authorized Officer, they have the possibility of unduly harming the surface during periods of wet weather or drought.

FILMING PERMITS

- 135. All vehicular traffic shall be confined to existing roads.
- 136. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.
- 137. Upon cancellation, relinquishment, or expiration of this authorization, the holder shall comply with rehabilitation procedures prescribed by the Authorized Officer.
- 138. The holder shall notify the Authorized Officer upon completion of operations so that a compliance check can be conducted.
- 139. Acknowledgment, through the film credits, shall be given to: the U.S. Department of the Interior, Bureau of Land Management, Roswell Resource Area.
- 140. The permittee shall provide the BLM with proof of an insurance policy, naming the Bureau of Land Management as "additionally insured" or "co-insured".
- 141. The permittee shall provide the appropriate resource area office with a copy of the finished film product within two weeks of public distribution.

FIGURE A2-2

Form 3150-4a (July 1993)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

TERMS AND CONDITIONS FOR NOTICE OF INTENT TO CONDUCT GEC AYSICAL EXPLORATION

| FORM APPROVED OMB NO. 1004-0162 Expires: April 30, 1996 |
|---|
| BLM Case No. |
| State Case No. |

| Company Name | | | Date NOI Filed | | |
|--------------|-------------------------------|-------|----------------------|-------------|--|
| Address | | | Company Project Name | | |
| City | | State | Client | | |
| Zip Code | Phone No. (Include area code) | | | Crew Number | |

GENERAL

- 1. A copy of the approved Notice of Intent to Conduct Oil and Gas Geophysical Exploration Operations and Terms and Conditions shall be kept in the field with each seismic crew.
- 2. The BLM shall be notified at least 3 days and no more than 14 days before entering onto public lands. If conditions have changed, additional terms and conditions may be necessary.
- 3. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are discovered, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
- * The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- A timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume operations.

- 4. Due care must be taken to safeguard all livestock, wildlife, and wild horses in the vicinity of the exploration operations. Measures to mitigate adverse effects on protected or threatened/endangered species will be determined by the AO after consultation with the operator.
- 5. Operations shall be suspended when in the judgment of the Authorized Officer they have the possibility of unduly harming the surface during periods of wet weather.
- 6. Range improvements (fences, reservoirs, etc.) or land treatment projects (contour furrowing, seeding, or range monitoring sites) shall not be disturbed or altered without prior written approval of the Authorized Officer.
- 7. Federally owned or controlled water shall not be used without written permission of the Authorized Officer.
- 8. All fires set or caused as a result of these exploration operations shall be extinguished without expense to the government. All fires shall be reported to the BLM as soon as possible.
- 9. The operator shall notify the Authorized Officer in writing of any changes in the original application and secure written approval for the changes before proceeding.
- 10. When it is determined that activities will come closer than one quarter (1/4) mile of developed recreation sites, historic trails, springs or flowing water wells the Authorized Officer will be consulted to determine if the action is permissible.
- 11. Advanced written permission shall be obtained before conducting surface disturbing activities. This includes, but is not limited to: towing with a tractor, blading, dozing, snow removal, and vegetation removal.
- 12. Powder magazines and explosives shall be stored and handled according to U.S. Bureau of Alcohol, Tobacco and Firearms (ATF) standards. As required by ATF, loaded shotholes shall not be left unsecured.

(Continued on reverse)

FIGURE A2-2 (continued)

RECLAMATION/CLEANUP

- 1. Reclamation of disturbed areas shall be done concurrently with the geophysical operation, in-so-far as possible.
- 2. Shallow hole plugging shall be completed using the guidelines developed by the appropriate State/local regulatory agency or agencies and the Bureau of Land Management State Office. The requirements vary from State to State; therefore, those specific to the State the project is being conducted in will be followed.
- 3. Where appropriate, disturbed areas shall be reseeded, as directed by the Authorized Officer, until vegetative cover is established that is commensurate with pre-survey conditions. In areas where reseeding is not appropriate, the authorized officer shall determine what steps should be taken.
- 4. All trash, flagging, lath, etc. shall be removed and hauled to an authorized disposal site.
- 5. No oil or lubricants shall be drained onto the ground surface.
- 6. The operator shall notify the Authorized Officer of the date operations are completed.

COMPLETION OF PROCEDURES

| 1. A Notice of Completion (NOC) (Form 3150-5) shall be filed within 30 days of completion of operations including reclamation. A map (minimiscale of 1:24,000) must be attached to the NOC showing public lands crossed and the final location of source points. | | | | |
|--|---|--|--|--|
| I understand and agree to comply with these terms and conditions and any attache | d special conditions. | | | |
| (Signature of Appropriate Representative) | (Date) | | | |
| Special Conditions Attached | 300 3300 300 300 300 300 300 300 300 30 | | | |