

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNM OIL CONSERVATION
ARTESIA DISTRICTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.

JAN 23 2017

OCD Artesia
RECEIVED5. Lease Serial No.
Multiple--See Attached
6. If Indian, Ancestral, or Tribe Name**SUBMIT IN TRIPLICATE - Other instructions on page 2**7. If Unit or CA/Agreement, Name and/or No.
Multiple--See Attached

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Multiple--See Attached

2. Name of Operator

STRATA PRODUCTION COMPANY

Contact: EMILY FOLLIS

E-Mail: Emily.Follis@apachecorp.com

9. API Well No.
Multiple--See Attached

3a. Address

ROSWELL, NM 88202-1030

3b. Phone No. (include area code)

Ph: 432-818-1801

10. Field and Pool or Exploratory Area
Multiple--See Attached

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Multiple--See Attached

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

APACHE IS REQUESTING PERMISSION TO FLARE 5 MMCF A DAY FOR 90 DAYS FROM 11/30/16 - 02/30/17 ON THE BELOW LISTED WELLS DUE TO LINE CAPACITY & OVER RESSURING OUR VESSELS AT THE BATTERY. GAS WILL BE MEASURED PRIOR TO FLARING.

LEE FEDERAL FLARE (13)
METER #F101/GAS SALES METER#6135369

LEE FEDERAL #01 30-015-30243
LEE FEDERAL #02 30-015-30268
LEE FEDERAL #03 30-015-30269
LEE FEDERAL #05 30-015-33029
LEE FEDERAL #06 30-015-30424

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #357555 verified by the BLM Well Information System

For STRATA PRODUCTION COMPANY, sent to the Carlsbad

Committed to AFMSS for processing by DEBORAH MCKINNEY on 11/10/2016 (17DLM0241SE)

Name (Printed/Typed) EMILY FOLLIS

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 11/09/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USEApproved By MUSTAFA HAQUE

Title PETROLEUM ENGINEER

Date 01/19/2017

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.

Office Carlsbad

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.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #357555 that would not fit on the form

5. Lease Serial No., continued

NMLC029395B
NMNM17103

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM17103	NMNM17103	LEE FEDERAL 2	30-015-24349-00-S3	Sec 25 T20S R28E SWNE 1980FNL 1980FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 1	30-015-30243-00-S1	Sec 20 T17S R31E SWNE 2310FNL 2160FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 10	30-015-30511-00-S1	Sec 20 T17S R31E SENW 2310FNL 1650FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 11	30-015-32737-00-S1	Sec 20 T17S R31E NWSE Lot J 2310FSL 1650FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 12	30-015-30508-00-S1	Sec 20 T17S R31E SESE 2310FNL 890FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 13	30-015-30425-00-S1	Sec 20 T17S R31E NESE 2310FSL 330FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 14	30-015-32072-00-S1	Sec 20 T17S R31E NENE 830FNL 330FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 15	30-015-32048-00-S1	Sec 20 T17S R31E NWNE 830FNL 1650FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 16	30-015-32049-00-S1	Sec 20 T17S R31E NENW 830FNL 2310FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 17	30-015-32648-00-S1	Sec 20 T17S R31E NWNW 730FNL 890FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 18	30-015-31952-00-S1	Sec 20 T17S R31E NWNW 330FNL 330FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 19	30-015-31962-00-S1	Sec 20 T17S R31E NENW 530FNL 1650FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 2	30-015-30268-00-S1	Sec 20 T17S R31E SWNW 1650FNL 990FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 20Y	30-015-32087-00-S1	Sec 20 T17S R31E NWNE 330FNL 2260FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 21	30-015-32073-00-S1	Sec 20 T17S R31E NENE 330FNL 890FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 27	30-015-32321-00-S1	Sec 17 T17S R31E SESW 990FSL 1750FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 29	30-015-32376-00-S1	Sec 17 T17S R31E SESE 890FSL 990FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 3	30-015-30269-00-S1	Sec 20 T17S R31E NESE 1700FSL 990FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 30	30-015-32296-00-S1	Sec 17 T17S R31E NWSW 1650FSL 865FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 31	30-015-32297-00-S1	Sec 17 T17S R31E NWSW 2310FSL 330FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 32	30-015-33214-00-S1	Sec 17 T17S R31E SWSW 990FSL 230FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 34	30-015-32738-00-S1	Sec 17 T17S R31E SWSW Lot M 330FSL 890FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 35	30-015-32744-00-S1	Sec 17 T17S R31E SESW Lot N 330FSL 2285FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 36	30-015-32739-00-S1	Sec 17 T17S R31E SWSE Lot O 430FSL 1650FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 37	30-015-32769-00-S1	Sec 17 T17S R31E SESE Lot P 330FSL 430FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 39	30-015-32740-00-S1	Sec 20 T17S R31E SWNE Lot G 1650FNL 1650FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 40	30-015-32745-00-S1	Sec 20 T17S R31E SWNW Lot E 2285FNL 330FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 41	30-015-39611-00-S1	Sec 20 T17S R31E Lot E 1700FNL 460FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 42	30-015-39223-00-S1	Sec 17 T17S R31E SWSE Lot O 425FSL 2185FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 43		Sec 17 T17S R31E SWSW 240FSL 380FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 44	30-015-40031-00-S1	Sec 20 T17S R31E NWNE 330FNL 1650FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 45	30-015-40032-00-S1	Sec 20 T17S R31E SENE 1730FNL 1000FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 46	30-015-39915-00-S1	Sec 20 T17S R31E NWSW 2230FSL 430FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 47	30-015-40033-00-S1	Sec 20 T17S R31E SWSE 885FSL 1740FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 48	30-015-39897-00-S1	Sec 20 T17S R31E SWSW 1130FSL 330FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 49	30-015-39916-00-S1	Sec 20 T17S R31E SENW 2125FNL 2440FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 5	30-015-33029-00-S1	Sec 20 T17S R31E SENE Lot H 1400FNL 330FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 50	30-015-39888-00-S1	Sec 20 T17S R31E NENW 1015FNL 1580FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 51	30-015-40034-00-S1	Sec 17 T17S R31E NWSW 1620FSL 330FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 52	30-015-39889-00-S1	32.831581 N Lat, 103.898869 W Lon
NMLC029395B	NMLC029395B	LEE FEDERAL 54	30-015-40100-00-S1	Sec 20 T17S R31E SWNE 1650FNL 2260FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 56	30-015-40730-00-S1	Sec 20 T17S R31E NENE 330FNL 330FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 57	30-015-40174-00-S1	Sec 17 T17S R31E NWSW 2300FSL 450FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 58	30-015-40175-00-S1	Sec 17 T17S R31E SESW 330FSL 1650FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 59	30-015-40176-00-S1	Sec 20 T17S R31E NWNE 1285FNL 2470FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 6	30-015-30424-00-S1	Sec 20 T17S R31E NENE 990FNL 990FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 60	30-015-40177-00-S1	Sec 20 T17S R31E SENW 1650FNL 2310FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 61	30-015-40293-00-S1	Sec 17 T17S R31E SWSW 1115FSL 330FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 62	30-015-40294-00-S1	Sec 17 T17S R31E SWSE 850FSL 1680FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 63	30-015-40295-00-S1	Sec 17 T17S R31E SWSW 900FSL 900FWL
NMLC029395B	NMLC029395B	LEE FEDERAL 70	30-015-41112-00-S1	Sec 20 T17S R31E SWNE 2275FNL 1670FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 72	30-015-41253-00-S1	Sec 20 T17S R31E NESE 2260FSL 990FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 73	30-015-41113-00-S1	Sec 20 T17S R31E NWSE 1585FSL 1650FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 74	30-015-41421-00-S1	32.817165 N Lat, 103.888704 W Lon
NMLC029395B	NMLC029395B	LEE FEDERAL 76	30-015-41551-00-S1	Sec 20 T17S R31E NESE 1570FSL 465FEL
NMLC029395B	NMLC029395B	LEE FEDERAL 8	30-015-30598-00-S1	32.817129 N Lat, 103.884828 W Lon
				Sec 20 T17S R31E SESW 550FSL 1670FWL
				32.814312 N Lat, 103.895025 W Lon
				Sec 17 T17S R31E SWSE 1090FSL 2520FEL
				32.830291 N Lat, 103.891596 W Lon
				Sec 20 T17S R31E NESW 2310FSL 2510FWL

10. Field and Pool, continued

CEDAR LAKE-GLORIETA-YESO
LOCO HILLS-PADDOCK
LOCO HILLS-QU-GB-SA
SCANLON
UNKNOWN
WILDCAT

32. Additional remarks, continued

LEE FEDERAL #08 30-015-30598
LEE FEDERAL #10 30-015-30511
LEE FEDERAL #11 30-015-32737
LEE FEDERAL #12 30-015-30508

9 32. Additional remarks, continued

LEE FEDERAL #13 30-015-30425
LEE FEDERAL #14 30-015-32072
LEE FEDERAL #15 30-015-32048
LEE FEDERAL #16 30-015-32049
LEE FEDERAL #17 30-015-32648
LEE FEDERAL #18 30-015-31952
LEE FEDERAL #19 30-015-31962
LEE FEDERAL #20Y 30-015-32087
LEE FEDERAL #21 30-015-32073
LEE FEDERAL #27 30-015-32321
LEE FEDERAL #29 30-015-32376
LEE FEDERAL #30 30-015-32296
LEE FEDERAL #31 30-015-32297
LEE FEDERAL #32 30-015-33214
LEE FEDERAL #34 30-015-32738
LEE FEDERAL #35 30-015-32744
LEE FEDERAL #36 30-015-32739
LEE FEDERAL #37 30-015-32769
LEE FEDERAL #39 30-015-32740
LEE FEDERAL #40 30-015-32745
LEE FEDERAL #41 30-015-39611
LEE FEDERAL #42 30-015-39223
LEE FEDERAL #44 30-015-40031
LEE FEDERAL #45 30-015-40032
LEE FEDERAL #46 30-015-39915
LEE FEDERAL #47 30-015-40033
LEE FEDERAL #48 30-015-39897
LEE FEDERAL #49 30-015-39916
LEE FEDERAL #50 30-015-39888
LEE FEDERAL #51 30-015-40034
LEE FEDERAL #52 30-015-39889
LEE FEDERAL #54 30-015-40100
LEE FEDERAL #56 30-015-40730
LEE FEDERAL #57 30-015-40174
LEE FEDERAL #58 30-015-40175
LEE FEDERAL #59 30-015-40176
LEE FEDERAL #60 30-015-40177
LEE FEDERAL #61 30-015-40293
LEE FEDERAL #62 30-015-40294
LEE FEDERAL #63 30-015-40295
LEE FEDERAL #70 30-015-41112
LEE FEDERAL #72 30-015-41253
LEE FEDERAL #73 30-015-41113
LEE FEDERAL #74 30-015-41421
LEE FEDERAL #76 30-015-41551

32. Additional remarks, continued

Revisions to Operator-Submitted EC Data for Sundry Notice #357555

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	FLARE NOI	FLARE NOI
Lease:	NMLC029395B	NMLC029395B NMNM17103
Agreement:		
Operator:	APACHE CORPORATION 303 VETERANS AIRPARK LANE SUITE 1000 MIDLAND, TX 79705 Ph: 432-818-1801	STRATA PRODUCTION COMPANY ROSWELL, NM 88202-1030 Ph: 575.622.1127
Admin Contact:	EMILY FOLLIS REGULATORY ANALYST E-Mail: Emily.Follis@apachecorp.com Ph: 432-818-1801	EMILY FOLLIS REGULATORY ANALYST E-Mail: Emily.Follis@apachecorp.com Ph: 432-818-1801
Tech Contact:	EMILY FOLLIS REGULATORY ANALYST E-Mail: Emily.Follis@apachecorp.com Ph: 432-818-1801	EMILY FOLLIS REGULATORY ANALYST E-Mail: Emily.Follis@apachecorp.com Ph: 432-818-1801
Location:		
State:	NM	NM
County:	EDDY COUNTY	EDDY
Field/Pool:	CEDAR LAKE;GLORIETA-YESO	CEDAR HILL CEDAR LAKE CEDAR LAKE-GLORIETA-YESO LOCO HILLS-PADDOCK LOCO HILLS-QU-GB-SA SCANLON UNKNOWN WILDCAT
Well/Facility:	LEE FEDERAL 2 Sec 20 T17S R31E 1650FNL 990FWL	LEE FEDERAL 2 Sec 25 T20S R28E SWNE 1980FNL 1980FEL LEE FEDERAL 1 Sec 20 T17S R31E SWNE 2310FNL 2160FEL LEE FEDERAL 10 Sec 20 T17S R31E SENW 2310FNL 1650FWL LEE FEDERAL 11 Sec 20 T17S R31E NWSE Lot J 2310FSL 1650FEL LEE FEDERAL 12 Sec 20 T17S R31E SESE 2310FNL 890FEL LEE FEDERAL 13 Sec 20 T17S R31E NESE 2310FSL 330FEL LEE FEDERAL 14 Sec 20 T17S R31E NENE 830FNL 330FEL LEE FEDERAL 15 Sec 20 T17S R31E NWNE 830FNL 1650FEL LEE FEDERAL 16 Sec 20 T17S R31E NENW 830FNL 2310FWL LEE FEDERAL 17 Sec 20 T17S R31E NWNW 730FNL 890FWL LEE FEDERAL 18 Sec 20 T17S R31E NWNW 330FNL 330FWL LEE FEDERAL 19 Sec 20 T17S R31E NENW 530FNL 1650FWL LEE FEDERAL 20Y Sec 20 T17S R31E NWNE 330FNL 2260FEL LEE FEDERAL 21 Sec 20 T17S R31E NENE 330FNL 890FEL LEE FEDERAL 27 Sec 17 T17S R31E SESW 990FSL 1750FWL LEE FEDERAL 29 Sec 17 T17S R31E SESE 890FSL 990FEL LEE FEDERAL 3 Sec 20 T17S R31E NESE 1700FSL 990FEL LEE FEDERAL 30 Sec 17 T17S R31E NWSW 1650FSL 865FWL LEE FEDERAL 31 Sec 17 T17S R31E NWSW 2310FSL 330FWL

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Apache Corporation
Lee Federal 2
NMNLC029395B

1/19/2017

Pursuant to **NTL-4A III**, Lessees or operators are hereby authorized to vent or flare gas on a short-term basis without incurring a royalty obligation in the following circumstances:

- A. Emergencies. During temporary emergency situations, such as compressor or other equipment failures, relief of abnormal system pressures, or other conditions which result in the unavoidable short-term venting or flaring of gas. However, this authorization to vent or flare gas in such circumstances without incurring a royalty obligation is limited to 24 hours per incident and to 144 hours cumulative for the lease during any calendar month, except with the prior authorization, approval, ratification, or acceptance of the Supervisor.
- B. Well Purging and Evaluation Tests. During the unloading or cleaning up of a well during drillstem, producing, routine purging, or evaluation tests, not exceeding a period of 24 hours.
- C. Initial Production Tests. During initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first, unless a longer test period has been authorized by the appropriate State regulatory agency and ratified or accepted by the Supervisor.
- D. Routine or Special Well Tests. During routine or special well tests, other than those cited in NTL-4A III.B and C above, only after approval by the Supervisor.

If a flaring event conforms with the requirements listed above as per NTL-4A III., the flared volumes are not royalty bearing and the operator does not need to submit a Sundry Notice. Report flared volumes as unavoidably lost on OGOR B.

Condition of Approval to Flare Gas

1. The first 24 hours of a temporary emergency flare* is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). NTL-4A specifies no more than 24 hours per incident and no more 144 hours cumulative for the lease during any calendar month. These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
2. Flared volumes considered to be "avoidably lost":
 - Exceeding the first 24 hours for each temporary emergency flare event (144 hours cumulative for the lease per month), well purging and evaluation test.
 - During initial well evaluation tests, exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first
 - Scheduled flaring operations

These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in NTL-4A are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with NTL-4A.IV.B.. Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08". If the operator believes that the flared volumes were "unavoidably lost" and the BLM determines them to be "avoidably lost", the operator can submit a more detailed request via Sundry Notice (Form 3160-5) for an exception in accordance with NTL-4A.IV.B.. As an

- alternative to producing oil and flaring gas the operator may choose to shut the well in and avoid paying royalties on otherwise avoidably lost gas.
3. Approval not to exceed 90 days, (from 11/30/2016 to 02/28/2017), if flaring is still required past 90 days submit new request for approval.
 4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a Sundry Notice (Form 3160-5). Include method for volume determination and duration. Report unavoidably lost (first 24 hrs of unexpected event) and avoidably lost (exceeding the first 24 hrs or flared gas that has been approved as avoidably lost by the Authorized Officer) volumes and durations on the Subsequent Report.
 5. In determining the volumes of gas to be reported in accordance with NTL-4A the BLM CFO requires Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on Sundry Notice (Form 3160-5).
 - If installation of an approved gas meter is not economically feasible for continued operations. Submit Notice of Intent - Sundry Notice (Form 3160-5) to request an alternate method of determining gas volumes with a valid justification. Alternate methods are listed in NTL-4A. The Authorized Officer may require the installation of additional measurement equipment whenever it is determined that the present methods are inadequate to meet the purposes of this Notice.
 6. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
 7. This approval does not authorize any additional surface disturbance.
 8. Subject to like approval from NMOCD

Regulations and Definitions

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

NTL-4A.IV.B. Oil Well Gas. Except as provided in II.C and III above, oil well gas may not be vented or flared unless approved in writing by the Supervisor. The Supervisor may approve an application for the venting or flaring of oil well gas if justified either by the submittal of **(1)** an evaluation report supported by engineering, geologic, and economic data which demonstrates to the satisfaction of the Supervisor that the expenditures necessary to market or beneficially use such gas are not economically justified and that conservation of the gas, if required, would lead to the premature abandonment of recoverable oil reserves and ultimately to a greater loss of equivalent energy than would be recovered if the venting or flaring were permitted to continue or **(2)** an action plan that will eliminate venting or flaring of the gas within 1 year from the date of application.

***Temporary Emergency Flaring** is defined as an unexpected situation requiring immediate action. A flaring event is considered an emergency if the occurrence is out of the operators control and the operator had less than 24 hrs notification of the event. Scheduled or routine flare events will not be considered an emergency.