Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137

Expires: January 31, 2018

5. Lease Serial No.

OFTENMLC030570A SUNDRY NOTICES AND REPORTED IN SUNDRY Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such a second sec 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 NMNM128072 Well Name and No. 1. Type of Well Multiple-See Attached Oil Well Gas Well Other 9. API Well No. LESLIE GARVIS Name of Operator Contact: Multiple--See Attached BURNETT OIL COMPANY INC E-Mail: Igarvis@burnettoil.com 3b. Phone No. (include area code) Ph: 817.583.8730 10. Field and Pool or Exploratory Area Multiple--See Attached 801 CHERRY STREET UNIT 9 FORT WORTH, TX 76102-6881 11. County or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) EDDY COUNTY, NM Multiple--See Attached 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION ■ Water Shut-Off ☐ Production (Start/Resume) ☐ Acidize □ Deepen Notice of Intent ■ Well Integrity ☐ Hydraulic Fracturing ☐ Reclamation ☐ Alter Casing ■ Subsequent Report Other ■ New Construction ☐ Recomplete □ Casing Repair Venting and/or Flari ☐ Temporarily Abandon ☐ Final Abandonment Notice ☐ Change Plans ☐ Plug and Abandon ☐ Water Disposal □ Convert to Injection ☐ Plug Back 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 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. Burnett is requesting permission to flare at the Stevens A battery from July through September 2018. We will only be flaring as needed (i.e during DCP maintenance). All gas flared will be metered and reported as per BLM requirements. NM OIL CONSERVATION We have previously received approval to install a flare at this ARTESIA DISTRICT location and an updated battery diagram showing the flare location is on file. JUN 27 2018 The Stevens A battery is located at: T17S, R 30E, SECTION 13, UNIT M, SWSW FOR RECORDS ON 1219' FSL, 54' FWL LEASE: NMLC-030570A RECEIVED *30-015-04143* 14. I hereby certify that the foregoing is true and correct Electronic Submission #424041 verified by the BLM Well Information System
For BURNETT OIL COMPANY INC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 06/15/2018 (18PP1987SE) Title REGULATORY MANAGER Name (Printed/Typed) LESLIE GARVIS 06/14/2018 Signature (Electronic Submission) THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date 06/19/2018 TitlePETROLEUM ENGINEER Approved By JONATHON SHEPARD Conditions of approval, if any, are attached. Approval of this notice does not warrant or

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.

Office Carlsbad

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.

Additional data for EC transaction #424041 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM128072	NMNM2747	STEVENS A 17H	30-015-38373-00-S1	Sec 13 T17S R30E NWNW 1090FSL 670FWL
NMLC030570A	NMLC030570A	STEVENS A 10	30-015-32793-00-C1	Sec 13 T17S R30E NWSW 1880FSL 880FWL
NMLC030570A	NMLC030570A	STEVENS A 10	30-015-32793-00-C2	Sec 13 T17S R30E NWSW 1880FSL 880FWL
NMLC030570A	NMLC030570A	STEVENS A 10	30-015-32793-00-S1	Sec 13 T17S R30E NWSW 1880FSL 880FWL
NMLC030570A	NMLC030570A	STEVENS A 11	30-015-33131-00-S1	Sec 13 T17S R30E SENW 2310FNL 2310FWL
				32.500698 N Lat, 103.553328 W Lon
NMLC030570A	NMLC030570A	STEVENS A 12	30-015-34225-00-S1	Sec 13 T17S R30E SESW 330FSL 2310FWL
NMLC030570A	NMLC030570A	STEVENS A 13	30-015-34846-00-S1	Sec 13 T17S R30E SESW 330FSL 1650FWL
NMLC030570A	NMLC030570A	STEVENS A 14	30-015-35320-00-81	Sec 13 T17S R30E SESW 80FSL 1400FWL
NMLC030570A	NMLC030570A	STEVENS A 15	30-015-35321-00-S1	Sec 13 T17S R30E SENW 1820FNL 2310FWL
NMLC030570A	NMLC030570A	STEVENS A 16H	30-015-36146-00-S1	Sec 13 T17S R30E NWSW 2430FSL 350FWL
NMLC030570A	NMLC030570A	STEVENS A 18	30-015-41543-00-S1	Sec 13 T17S R30E SENW 1650FNL 1590FWL
				32.837147 N Lat, 103.928083 W Lon
NMLC030570A	NMLC030570A	STEVENS A 3	30-015-04143-00-S2	Sec 13 T17S R30E SENW 1980FNL 1980FWL
NMLC030570A	NMLC030570A	STEVENS A 4	30-015-04144-00-S2	Sec 13 T17S R30E SWSW 660FSL 660FWL
NMLC030570A	NMLC030570A	STEVENS A 7	30-015-21830-00-S2	Sec 13 T17S R30E SESW 25FSL 1345FWL
NMLC030570A	NMLC030570A	STEVENS A 8	30-015-20211-00-S2	Sec 13 T17S R30E NESW 2050FSL 2000FWL

10. Field and Pool, continued

GRAYBURG GRAYBURG JACKSON UNKNOWN

32. Additional remarks, continued

The following wells are associated with this battery: Stevens A 3 - 30-015-04143
Stevens A 4 - 30-015-04144
Stevens A 7 - 30-015-21830
Stevens A 9 - 30-015-32441
Stevens A 10 - 30-015-32793
Stevens A 11 - 30-015-33131
Stevens A 12 - 30-015-34225
Stevens A 13 - 30-015-34225
Stevens A 14 - 30-015-35320
Stevens A 15 - 30-015-35321
Stevens A 16 - 30-015-36146
Stevens A 17 - 30-015-38373
Stevens A 18 - 30-015-41543

Revisions to Operator-Submitted EC Data for Sundry Notice #424041

Operator Submitted

BLM Revised (AFMSS)

Sundry Type:

FLARE

NOI

FLARE

NOI

Agreement:

Lease:

NMLC030570A

NMLC030570A

Operator:

BURNETT OIL COMPANY INC BURNETT OIL CO. INC.
BURNETT PLAZA - SUITE 1500 801 CHERRY STREET - UNITFORT ON THE TOTAL TOTAL

NMNM128072 (NMNM128072)

Ph: 817-583-8730

Ph: 817.332.5108

Admin Contact:

LESLIE GARVIS
REGULATORY COORDINATOR

E-Mail: Igarvis@burnettoil.com

Ph: 817-583-8730

LESLIE GARVIS

REGULATORY MANAGER
E-Mail: lgarvis@burnettoil.com

Ph: 817.583.8730

Tech Contact:

LESLIE GARVIS REGULATORY COORDINATOR

E-Mail: Igarvis@burnettoil.com

Ph: 817-583-8730

LESLIE GARVIS

REGULATORY MANAGER

E-Mail: lgarvis@burnettoil.com

Ph: 817.583.8730

Location:

State: County: NM

EDDY

Field/Pool:

CEDAR LAKE

NM EDDY

CEDAR LAKE CEDAR LAKE-GLORIETA-YESO

GRAYBURG

GRAYBURG JACKSON

UNKNOWN

Well/Facility:

STEVENS A 17H

Sec 13 T17S R30E Mer NMP NWNW 1090FSL 670FWL

STEVENS A 17H Sec 13 T17S R30E NWNW 1090FSL 670FWL

STEVENS A 10 Sec 13 T17S R30E NWSW 1880FSL 880FWL STEVENS A 10 Sec 13 T17S R30E NWSW 1880FSL 880FWL STEVENS A 10 Sec 13 T17S R30E NWSW 1880FSL 880FWL

SEC 13 1175 R30E NWSW 1880FSL 880FWL STEVENS A 11 Sec 13 T17S R30E SENW 2310FNL 2310FWL 32.500698 N Lat, 103.553328 W Lon STEVENS A 12 Sec 13 T17S R30E SESW 330FSL 2310FWL

STEVENS A 13 Sec 13 T17S R30E SESW 330FSL 1650FWL STEVENS A 14

Sec 13 T17S R30E SESW 80FSL 1400FWL

STEVENS A 15

Sec 13 T17S R30E SENW 1820FNL 2310FWL STEVENS A 16H

Sec 13 T17S R30E NWSW 2430FSL 350FWL

STEVENS A 18 Sec 13 T17S R30E SENW 1650FNL 1590FWL

32.837147 N Lat, 103.928083 W Lon

STEVENS A 3

Sec 13 T17S R30E SENW 1980FNL 1980FWL

STEVENS A 4

Sec 13 T17S R30E SWSW 660FSL 660FWL

STEVENS A 7

Sec 13 T17S R30E SESW 25FSL 1345FWL

STEVENS A 8

Sec 13 T17S R30E NESW 2050FSL 2000FWL

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Condition of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- All flaring under this request is considered to be "avoidably lost":
 Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
 Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

Exceptions:

- a. The first 24 hours of a <u>temporary emergency flare</u> 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). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 3179.105.