Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

BUREAU OF LAND MANAGEMENT BUREAU DE LAND MAN SUNDRY NOTICES AND REPORTS

Field O NMLC072015C SUNDRY NOTICES AND REPORTS

Do not use this form for proposals to drill or to the opposals.

2460-3 (APD) for such proposals. 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. MARALO FEDERAL 2K Oil Well Gas Well Other Name of Operator Contact: STEPHANIE GUTIERREZ API Well No. **FASKEN OIL & RANCH LIMITED** E-Mail: stephanieg@forl.com 30-015-23748-00-S1 3b. Phone No. (include area code) Ph: 432-687-1777 3a. Address 10. Field and Pool or Exploratory Area 6101 HOLIDAY HILL ROAD **BURTON FLAT** MIDLAND, TX 79707 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 35 T20S R27E NESW EDDY COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ■ Water Shut-Off ☐ Acidize Deepen □ Production (Start/Resume) Notice of Intent □ Alter Casing ☐ Hydraulic Fracturing □ Reclamation ■ Well Integrity ■ Subsequent Report □ Casing Repair ■ New Construction □ Recomplete Other Venting and/or Flari ☐ Final Abandonment Notice □ Change Plans □ Plug and Abandon ☐ Temporarily Abandon Convert to Injection ☐ Plug Back ■ Water Disposal 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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. Fasken Oil and Ranch, Ltd. requests a flare permit for the wells listed below that started on July 17, 2018. Enterprise claims we should be back on by July 23, 2018, but we want to go ahead and Accepted for record request a permit that would be good through the end of the month, July 31, 2018. **NMOCD** Above well will be flaring 100 mcfpd. Maralo Federal No. 3: 30-015-30331, UL H. Sec. 34, T20S, R27E, Avalon: Morrow field, 2150 FNL and 660 FEL. Flaring 30 mcfpd. Maralo Federal No. 5: 30-015-35695, UL H, Sec. 35, T20S, R27E. Burton Flat; Morrow field. 990 FNL and 1980 FWL. Flaring 30 mcfpd. AUG 07 2018 DISTRICT ILAHTESIA O.C.D. 14. I hereby certify that the foregoing is true and correct. Electronic Submission #427794 verified by the BLM Well Information System
For FASKEN OIL & RANCH LIMITED, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 07/23/2018 (18DLM0482SE) Name (Printed/Typed) STEPHANIE GUTIERREZ **REGULATORY ANALYST** Signature (Electronic Submission) 07/18/2018 THIS SPACE FOR FEDERAL OR STATE OFFICE USE /s/ Jonathon Shepard Щ_{те} 2 4 2018 _Approved By Petroleum Engineer 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 brice Carlsbad Field Office which would entitle the applicant to conduct operations thereon.

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.

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.
- 2. All flaring under this request is considered to be "avoidably lost":

 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.