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.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to dail of the late of the Name

NMNM2747

Do not use this form for proposals to dail of the Name

NMNM2747

| abandoned we | II. Use form 3160-3 (APD) | for such proposals. | TAR ON HIGHAII, AHOUSE | of Tribe Name | |
|--|---|---|---|--|--|
| SUBMIT IN | 2.07.0 | 7. If Unit or CA/Agreement, Name and/or No. | | | |
| Type of Well Gas Well □ Other | | | | 8. Well Name and No. JACKSON B 25 | |
| Name of Operator Contact: LESLIE GARVIS BURNETT OIL COMPANY INC E-Mail: LGARVIS@BURNETTOIL.COM | | | 9. API Well No. 30-015-10123 | 9. API Well No. 30-015-10123-00-S1 | |
| 3a. Address 801 CHERRY STREET UNIT FORT WORTH, TX 76102-68 | 9 1 | 3b. Phone No. (include area code) Ph: 817-583-8730 Fx: 817-332-8438 | 10. Field and Pool of GRAYBURG | 10. Field and Pool or Exploratory Area GRAYBURG | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | 11. County or Parish, State | | |
| Sec 24 T17S R30E SESE 990FSL 660FEL | | | EDDY COUN | EDDY COUNTY, NM | |
| 12. CHECK THE AF | PROPRIATE BOX(ES) T | O INDICATE NATURE O | F NOTICE, REPORT, OR OT | HER DATA | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
| Notice of Intent | ☐ Acidize | □ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off | |
| | ☐ Alter Casing | ☐ Hydraulic Fracturing | ☐ Reclamation | ■ Well Integrity | |
| ☐ Subsequent Report | Casing Repair | ■ New Construction | □ Recomplete | Other | |
| ☐ Final Abandonment Notice | □ Change Plans | □ Plug and Abandon | □ Temporarily Abandon | Venting and/or Flari ng | |
| | ☐ Convert to Injection | □ Plug Back | ■ Water Disposal | | |
| 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 Abandomment 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 Jackson B 4 battery from January through March 2019. We will only be flaring as needed (i.e during DCP maintenance). All gas flared will be metered and reported as per BLM requirements. We have previously received approval to install a flare at this location and an updated battery diagram showing the flare location is on file. The Jackson B4 battery is located at: T17S, R 30 E, SECTION 24, UNIT I, NESE 1355* FSL, 831* FEL LEASE: NMNM2747 The following wells are associated with this battery: ACCEPTED JAN 1 0 2019 The following wells are associated with this battery: | | | | | |
| Electronic Submission #448105 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 12/18/2018 (19PP0656SE) Name (Printed/Typed) LESLIE GARVIS Title REGULATORY MANAGER | | | | | |
| Signature (Electronic S | Date 12/17/20 | 018 | | | |
| | THIS SPACE FOR | FEDERAL OR STATE | OFFICE USE | | |
| Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conductive the applicant to conductive the second conductive the seco | itable title to those rights in the succt operations thereon. U.S.C. Section 1212, make it a cri | me for any person knowingly and | um Engineer d Field Office willfully to make to any department of | PEC 15a.8 2018 | |
| States any false, fictitious or fraudulent s | tatements or representations as to | any matter within its jurisdiction. | · · · | - · | |

Additional data for EC transaction #448105 that would not fit on the form

32. Additional remarks, continued

Jackson B 3 - 30-015-04313 Jackson B 12 - 30-015-04314 Jackson B 13 - 30-015-04315 Jackson B 14 - 30-015-04316 Jackson B 16 - 30-015-04317 Jackson B 25 - 30-015-10123 Jackson B 35 - 30-015-27750 Jackson B 36 - 30-015-27921 Jackson B 37 - 30-015-28641 Jackson B 39 - 30-015-20209 Jackson B 40 - 30-015-21831

BUREAU OF LAND MANAGEMENT

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

Conditions of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). 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, 3179.101 3179.104.