

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

5. Lease Serial No.
NMLC029338A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator
BURNETT OIL COMPANY INC
Contact: LESLIE GARVIS
E-Mail: lgarvis@burnettoil.com

9. API Well No.
Multiple--See Attached

3a. Address
801 CHERRY STREET UNIT 9
FORT WORTH, TX 76102-6881

3b. Phone No. (include area code)
Ph: 817-583-8730

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

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

11. County or Parish, and State
EDDY COUNTY, NM

12. CHECK 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"/> Fracture Treat	<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 Venting and/or Flaring
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 Gissler A 2 battery from January through March 2016. We will only be flaring as needed (i.e during DCP maintenance). All gas flared will be metered and reported as per BLM requirements.

30-015-32835

We have previously received approval to install a flare at this location and an updated battery diagram showing the flare location is on file.

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 25 2016

The Gissler A2 battery is located at:
T17S, R30E, SECTION 14, UNIT J, NWSE
1650' FSL, 1650' FEL
LEASE: NMLC-029338-A

Accepted For Record

NMOCD AB 8/2/16

RECEIVED

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

Electronic Submission #339995 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 05/27/2016 (16PP1258SE)

Name (Printed/Typed) LESLIE GARVIS

Title REGULATORY COORDINATOR

Signature (Electronic Submission)

Date 05/23/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID R GLASS

Title PETROLEUM ENGINEER

Date 06/24/2016

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.

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

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Additional data for EC transaction #339995 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMLC029338A	NMLC029338A	GISSLER A 16	30-015-30275-00-S1	Sec 23 T17S R30E NENE 660FNL 680FEL
NMLC029338A	NMLC029338A	GISSLER A 17	30-015-32447-00-C1	Sec 14 T17S R30E NESW 1800FSL 2310FWL
NMLC029338A	NMLC029338A	GISSLER A 24	30-015-33498-00-S1	Sec 14 T17S R30E NWSE 1650FSL 1776FEL
NMLC029338A	NMLC029338A	GISSLER A 18	30-015-32448-00-C2	Sec 14 T17S R30E SESW 990FSL 1650FWL
NMLC029338A	NMLC029338A	GISSLER A 19	30-015-32835-00-S1	Sec 14 T17S R30E NWSE 2310FSL 2310FEL
NMLC029338A	NMLC029338A	GISSLER A 20	30-015-32846-00-S1	Sec 14 T17S R30E NESE 2310FSL 990FEL
NMLC029338A	NMLC029338A	GISSLER A 21	30-015-33243-00-S1	Sec 14 T17S R30E SWNE 2310FNL 1400FEL
NMLC029338A	NMLC029338A	GISSLER A 22	30-015-33124-00-S1	Sec 14 T17S R30E NESW 2240FSL 1720FWL
NMLC029338A	NMLC029338A	GISSLER A 23	30-015-33123-00-S1	Sec 14 T17S R30E SENE 2210FNL 360FEL
NMLC029338A	NMLC029338A	GISSLER A 25	30-015-34021-00-S1	Sec 14 T17S R30E SESW 330FSL 2230FWL
NMLC029338A	NMLC029338A	GISSLER A 26	30-015-34503-00-S1	Sec 14 T17S R30E NWSE 2384FSL 2199FEL
NMLC029338A	NMLC029338A	GISSLER A 27H	30-015-34850-00-S1	Sec 14 T17S R30E NESE 2310FSL 480FEL
NMLC029338A	NMLC029338A	GISSLER A 28H	30-015-34909-00-S1	Sec 14 T17S R30E SWSE 990FSL 1980FEL
NMLC029338A	NMLC029338A	GISSLER A 31	30-015-36035-00-S1	Sec 14 T17S R30E SWSE 790FSL 2380FEL
NMLC029338A	NMLC029338A	GISSLER A 32	30-015-36036-00-S1	Sec 14 T17S R30E SWNE 1650FNL 2310FEL
NMLC029338A	NMLC029338A	GISSLER A 33H	30-015-36654-00-S1	Sec 14 T17S R30E NESE 1800FSL 990FEL
NMLC029338A	NMLC029338A	GISSLER A 37	30-015-38247-00-S1	Sec 14 T17S R30E SESW Lot N 990FSL 2275FWL
NMLC029338A	NMLC029338A	GISSLER A 40	30-015-39928-00-S1	Sec 14 T17S R30E NENW 2505FSL 1400FWL
NMLC029338A	NMLC029338A	GISSLER A 41	30-015-39931-00-S1	Sec 14 T17S R30E SWSE 330FSL 1550FEL
NMLC029338A	NMLC029338A	GISSLER A 43	30-015-41177-00-S1	Sec 23 T17S R30E NWNE 990FNL 1650FEL
NMLC029338A	NMLC029338A	GISSLER A 45	30-015-41366-00-S1	Sec 14 T17S R30E SESW 330FSL 1650FWL
NMLC029338A	NMLC029338A	GISSLER A 46	30-015-41544-00-S1	32.828029 N Lat, 103.945307 W Lon
NMLC029338A	NMLC029338A	GISSLER A 47	30-015-41967-00-S1	Sec 23 T17S R30E NENE 330FNL 330FEL
NMLC029338A	NMLC029338A	GISSLER A 48	30-015-42225-00-S1	32.826211 N Lat, 103.934558 W Lon
NMLC029338A	NMLC029338A	GISSLER A 7	30-015-04152-00-S2	Sec 23 T17S R30E NENE 1090FNL 330FEL
NMLC029338A	NMLC029338A	GISSLER A 9	30-015-04153-00-S2	32.824130 N Lat, 103.934562 W Lon
				Sec 14 T17S R30E NESW 1800FSL 1650FWL
				32.832069 N Lat, 103.945305 W Lon
				Sec 14 T17S R30E SWSE 330FSL 2310FEL
				Sec 14 T17S R30E SENE 1980FNL 660FEL

10. Field and Pool, continued

GRAYBURG
 GRAYBURG JACKSON SR-Q-GRBG-SA
 LOCO HILLS
 LOCO HILLS-GLORIETA-YESO
 LOCO HILLS-PADDOCK
 UNKNOWN

32. Additional remarks, continued

The following wells are associated with this battery:

Gissler A 7 30-015-04152
 Gissler A 9 30-015-04153
 Gissler A 16 30-015-30275
 Gissler A 17 30-015-32447
 Gissler A 18 30-015-32448
 Gissler A 19 30-015-32835
 Gissler A 20 30-015-32846
 Gissler A 21 30-015-33243
 Gissler A 22 30-015-33124
 Gissler A 23 30-015-33123
 Gissler A 24 30-015-33498
 Gissler A 25 30-015-34021
 Gissler A 26 30-015-34503
 Gissler A 27H 30-015-34850
 Gissler A 28H 30-015-34909
 Gissler A 31 30-015-36035
 Gissler A 32 30-015-36036
 Gissler A 33H 30-015-36654
 Gissler A 37 30-015-38247
 Gissler A 40 Grayburg 30-015-39928
 Gissler A 41 30-015-39931
 Gissler A 43 30-015-41177
 Gissler A 45 30-015-41366
 Gissler A 46 30-015-41544
 Gissler A 47 30-015-41967
 Gissler A 48 30-015-42225

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
(575) 234-5972
Venting and/or Flaring
Conditions of Approval

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes, and volumes), and has determined the following Conditions of Approval apply.

Conditions of Approval to Flare Gas

1. Comply with NTL-4A requirements
2. Subject to like approval from NMOCD
3. **Flared volumes are considered “avoidably lost” and will require payment of royalties. Volumes shall be reported on OGOR “B” reports as disposition code “08”**
4. “Avoidably lost” flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
5. 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 (form 3160-5).
6. This approval does not authorize any additional surface disturbance.
7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

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.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL’s; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.