orm 3160-5 August 2007) Diaba	DF							
D abi		UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT		NMO		FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010		
D- abi	SUNDRY NOTICES AND REPORTS ON W			Artesia		5. Lease Serial No. NMLC067144		
	o not use thi	is form for proposals to drill or to re-ente II. Use form 3160-3 (APD) for such prop		an sals.	6. IFI	6. If Indian, Allottee or Tribe Name		
SU	BMIT IN TRI	PLICATE - Other instruc	tions on reverse s	ide.	7. มา	Unit or CA/Agree	ement, Name and/or No.	
1. Type of Well Oil Other						8. Well Name and No. BIG EDDY 74		
2. Name of Operator Contact: TRACIE J CHERRY BOPCO LP E-Mail: tjcherry@basspet.com						9. API Well No. 30-015-22839-00-S1		
3a. Address 3b. Phone No. (include area code) P O BOX 2760 Ph: 432-683-2277 MIDLAND, TX 79702 Ph: 432-683-2277						10. Field and Pool, or Exploratory INDIAN FLATS		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)						11. County or Parish, and State		
Sec 25 T21S R28E NWNE 660FNL 1980FEL						EDDY COUNTY, NM		
12. C	HECK APPE	ROPŔIATE BOX(ES) TC	INDICATE NAT	URE OF NO	TICE, REPORT	ſ, OR OTHEI	R DATA	
TYPE OF SUBM	TYPE OF SUBMISSION TYPE OF ACTION							
Notice of Intent		Acidize	Deepen		Production (Sta	art/Resume)	□ Water Shut-Off	
_		Alter Casing	🖨 Fracture Tr	reat (Reclamation	I	🗖 Well Integrity	
Subsequent Rep	ort	Casing Repair	🗋 New Const	New Construction			🔀 Other Venting and/or Flari	
Final Abandonment Notice		Change Plans	Plug and A			Temporarily Abandon Water Disposal		
		Convert to Injection	🗖 Plug Back					
90-days, April - J	ectfully subm une 2016.	its this sundry for Notice	of Intent to intermit			D FOR	,	
Wells going to th	is battery are	as follows:		COND	ITIONS C	州城的中國	ONSERVATION	
BIG EDDY 074 / NORTH INDIAN	30-015-2283 FLATS 24 FE	EDERAL 001 / 30-015-377 9-00-S1 EDERAL 010 / 30-015-381 EDERAL 015 / 30-015-391	196-00-S1			APR	ONSERVATION DIA DISTRICT 0 8 2016	
Estimated amour and is necessary	nt to flare is 2 due to restric	5 MCFD; dépending on pi cted pipeline capacity.	peline conditions. ł	Flaring will be	eintermittent	REG	NMOCD	
14. 1 hereby certify that	the foregoing is	true and correct.			to mation Surato	7 ((110)	
	-	Electronic Submission #3 For B	OPCO LP. sent to t	he Carlsbad		1 . /		
Name (Printed/Typea		mmitted to AFMSS for proc	Title		ORYANALYST		///	
Signature (Electronic Submission)				03/08/201	1 1/1	MINUV	0/ /	
	(Enceronic 3		Date OR FEDERAL OR		·		X //	
						R 24 101		
. <u></u>		·			<u> </u>	/[/	-Dehisa /Pan	
Approved By					LUNE ANS		ICE	
Conditions of approval, if certify that the applicant h	olds legal or equ	itable title to those rights in the	subject lease Offic	e	<u>//</u>			
Conditions of approval, if certify that the applicant h which would entitle the ap Title 18 U.S.C. Section 10	olds legal or equiplicant to condu	itable title to those rights in the	Offic crime for any person kn	owingly and wi	<u>//</u>			

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Additional data for EC transaction #333118 that would not fit on the form

32. Additional remarks, continued

Gas volumes will be metered prior to flaring, allocated back to each well and reported on monthly production reports

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

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.

Condition 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.
- 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.