Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD

Artesia

FORM APPROVED	
OMB NO. 1004-0135	i
Expires: July 31, 2010	1

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.				NMNM15302 If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No. NMNM135270		
1. Type of Well Gas Well Gother				8. Well Name and No. CORRAL CANYON FEDERAL 3H		
Name of Operator Contact: SHERRY PACK XTO ENERGY INCORPORATED E-Mail: sherry_pack@xloenergy.com				9. API Well No. 30-015-42922-00-S1		
3a. Address 500 W ILLINOIS STREET SU MIDLAND, TX 79701	Phone No. (include area co 1: 432-620-6709 1: 432-224-1126	ode)	10. Field and Poot, or Exploratory UNKNOWN WILLOW LAKE			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish,	and State	
Sec 5 T25S R29E SWSE 170 32.152306 N Lat, 104.004693	EDDY COUNT	Y, NM				
12. СНЕСК АРРИ	ROPRIATE BOX(ES) TO IN	DICATE NATURE O	F NOTICE, RE	EPORT, OR OTHE	ER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
☐ Notice of Intent	☐ Acidize	□ Deepen	☐ Producti	on (Start/Resume)	■ Water Shut-Off	
_	☐ Alter Casing	Fracture Treat	☐ Reclama	ation	■ Well Integrity	
Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomp	lete	Other	
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	☐ Tempore	arily Abandon	Venting and/or Flari ng	
	Convert to Injection	☐ Plug Back	□ Water D	isposal		
Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit CORRAL CANYON TANK BA Corral Canyon Fed 3H, 30-015 Corral Canyon Fed 5H, 30-015 Corral Canyon Fed 5H, 30-015 Corral Canyon Fed 17H, 30-010 In accordance with NTL-4A, X free flare. Elaring was used to problems causing us to flare. was flared until DCP Midstrear operation.	operations. If the operation results is andonment Notices shall be filed on nal inspection.) TTERY ASSOCIATED WELL 5-42922 5-42924 15-42929 TO Energy Inc. would like to reminimize emissions when 3rd Flare was discovered on 11/1 m could make repairs and Could make repairs and Could make repairs.	n a multiple completion or it by after all requirements, income set of the se	recompletion in a notation replaced	ew interval, a Fonn 316, have been completed,	50-4 shall be filed once and the operator has	
14. I hereby certify that the foregoing is	Electronic Submission #32654	18 verified by the BLM V	Vell Information			
Comm	For XTO ENERGY IN itted to AFMSS for processing	CORPORATED, sent to by JENNIFER SANCHE	o the Carlsbad Z on 12/17/2015 ((16JA91351SE)		
Name (Printed/Typed) SHERRY F	_	" i	ULATORY ANA	Lyst	#1/- //	
Signature (Electronic Si	ubmission)	Date 12/16	ACC/E	PVED FOR	KECORD	
	THIS SPACE FOR F	EDERAL OR STAT	E OFFICE US	E/11/0 \$ 20	116/	
Approved By Conditions of approval, if any, are attached entify that the applicant holds legal or equivalent would entitle the applicant to conduction.	table title to those rights in the subject operations thereon.	ct lease Office	<u> </u>	EQU OF LAND WAY CARLSBAD FIE D	IGEN OF V	
itle 18 U.S.C. Section 1001 and Title 43 U.States any false, fictitious or fraudulent st	J.S.C. Section 1212, make it a crime atements or representations as to any	for any person knowingly a matter within its jurisdiction	nd willfully to mak	e to any department or	agency of the United	

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.
- 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.
- 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.