_	,	·	NMOCD		
DEPART			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. SUBMIT IN TRIPLICATE - Other instructions on reverse side.				5. Lease Serial No. NMNM0522A	
			6. If Indian	n, Allottee or Tribe Name	
				 If Unit or CA/Agreement, Name and/or No. 891000303X 	
 E. Type of Well Ø Oil Well Gas Well Other 			8. Well Na POKER	me and No. R LAKE UNIT CVX JV BS 27H	
of Operator CO LP	Contact: TRACIE J CHERRY E-Mail: tjcherry@basspet.com			9. API Well No. 30-015-42111-00-S1	
ess 30X 2760 AND, TX 79702	3b. Phone No. (include area code) Ph: 432-683-2277			10. Field and Pool, or Exploratory . PADUCA	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County	11. County or Parish, and State	
Sec 3 T25S R31E Lot 03 330FNL 1980FWL 32.165769 N Lat, 103.767286 W Lon			EDDY	COUNTY, NM	
12. CHECK APPROPRL	ATE BOX(ES) TO IN	DICATE NATURE OF	NOTICE, REPORT, O	R OTHER DATA	
E OF SUBMISSION	TYPE OF ACTION				
tice of Intent	cidize		Production (Start/R	esume) 🔲 Water Shut-Off	
	Alter Casing	Fracture Treat	Reclamation	Well Integrity	
	asing Repair	□ New Construction	Recomplete	Venting and/or Flari	
	hange Plans Convert to Injection	Plug and Abandon Plug Back	Temporarily Aband Water Disposal	ion ng	
CO, LP respectfully submits this ays, April - June 2016.	follows:			FOR	
ER LAKE ÜNIT CVX JV BS 027 ER LAKE UNIT CVX JV BS 030	H* / 30-015-42111-00- H / 30-015-42496-00-\$	-si SEE	IDITIONS OF	FOR APPROMINIC CONS ARTESIA DIS APR 0 8 20 FOR APR 0 8 20	
nated amount to flare is 100 MC nittent and is necessary due to r	estricted pipeline capa	eline conditions. Flaring w acity.	ill be	ARTESIA DIST	
volumes will be metered prior to action reports	flaring, allocated back	to each well and reporte		pord BAPONABER	
eby certify that the foregoing is true and	correct.		NNOCUF	TUTIONE FLETVED	
Electr	onic Submission #3331 For BOP	I44 verified by the BLM We CO LP, sent to the Carlsba sing by ASHLEY PEREZ on	II Information System Id 03/10/2016 (15AP0041S		
(Printed/Typed) TRACIE J CHER	RY	Title REGUL	ATORY ANALYST	#1=	
ure (Electronic Submissi		Date 03/08/2			
·	THIS SPACE FOR	FEDERAL OR STATE		2016 1 / 1	
IBy		Title	Jann-1	- FAO AM	
of approval, if any, are attached. Appro the applicant holds legal or equitable tit d entitle the applicant to conduct operation	le to those rights in the sub	warrant or ject lease Office	DUREAU OF LAN CARLSBAD FE	KONCE	
	1010 1 2	<u> </u>	the number of the second	partment or agency of the United	
(Printed/Typed) TRACIE J CHER ure (Electronic Submissi By	RY FHIS SPACE FOR I val of this notice does not y le to those rights in the sub ions thereon.	Title REGUL Date 03/08/2 FEDERAL OR STATE Title warrant or ject lease Office	ATORY ANALYST	2016 2016 CEACIDAM	

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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.