· •		UNITED STATES NMOCD PARTMENT OF THE INTERIOR Artesia REAU OF LAND MANAGEMENT			[FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. NMLC030570A							
and a second sec			· LAND MANAGEMENT										
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.						6. If Indian, Allottee or Tribe Name							
SUBMIT IN TRIPLICATE - Other instructions on reverse side. 1. Type of Well Gas Well Other 2. Name of Operator BURNETT OIL COMPANY INC Contact: E-Mail: Igarvis@burnettoil.com LESLIE GARVIS E-Mail: Igarvis@burnettoil.com 3a. Address 801 CHERRY STREET UNIT 9 FORT WORTH, TX 76102-6881 3b. Phone No. (include area code) Ph: 817-583-8730						 If Unit or CA/Agreement, Name and/or No. NMNM128072 Well Name and No. MultipleSee Attached 							
								9. API Well No. MultipleSee Attached 10. Field and Pool, or Exploratory MultipleSee Attached					
											, R., M., or Survey Description)		
						MultipleSee Attached						EDDY COUNTY, NM	
12. C	HECK APPR	OPRIATE BOX(ES) TO	INDICATE	NATURE OF	NOTICE, REI	PORT, OR OTHE	R DATA						
TYPE OF SUBM	ISSION	TYPE OF ACTION											
Notice of Intent			Dee	oen	Productio	n (Start/Resume)	□ Water Shut-Off						
	ŀ	Alter Casing	🗖 Frac	ture Treat	🖸 Reclamat	ion	Well Integrity						
Subsequent Rep	ort .	🗖 Casing Repair	🗋 New	Construction	🗖 Recomple	ete	Other						
Final Abandonm	nent Notice	Change Plans	🗇 Plug	Plug and Abandon		ily Abandon	Venting and/or Fla						
		Convert to Injection 🛛 🗖 Plu		g Back 🔲 Water I		Disposal							
Burnett is request 2016. We will on metered and repo	ly be flaring a	on to flare at the Stevens A s needed (i.e during DCP r LM requirements.	battery from maintenanc	n July through (e). All gas flared	September d will be		30-015-382						
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 Stevens A ba T17S, R 30E, SE 1219' FSL, 54' FV	CTIÓN 13, UI VL			7		JUL	2 5 ,2016						
LEASE: NMLC-03	30570A		Accen	ted For I	Record	REC	CEIVED						
·.			/	NMOCD	AB 7	127/16							
14. I hereby certify that		Electronic Submission #339 For BURNETT O	IL COMPAN	' INC, sent to th	e Carlsbad		•						
Name (Printed/Typed)		mitted to AFMSS for process ARVIS	sing by PRis		ATORY COO	=							
Signature (Electronic Submission)				Date 05/23/2016									
	· · · · ·	THIS SPACE FOR	FEDERA	L OR STATE	OFFICE USE								
	Approved By_DAVID_R GLASS				TitlePETROLEUM ENGINEER Date Of		Date 06/22/20						
_Approved By_DAVID		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							
Conditions of approval, if a certify that the applicant ho	any, are attached. olds legal or equi	table title to those rights in the su	ibject lease	Office Carlsba	d	. <u> </u>							
Conditions of approval, if a certify that the applicant ho which would entitle the app Title 18 U.S.C. Section 100	any, are attached olds legal or equi plicant to conduc 01 and Title 43 U	table title to those rights in the su	me for any per	son knowingly and	willfully to make	to any department or	agency of the United						

Additional data for EC transaction #339938 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM128072	NMNM2747	STEVENS A 17H	30-015-38373-00-S1	Sec 13 T17S R30E NWNW 1090FSL 670FWL
NMLC030570A	NMLC030570A	STEVENS A'10	30-015-32793-00-C1	Sec 13 T17S R30E NWSW 1880FSL 880FWL
NMLC030570A	NMLC030570A	STEVENS A 11	30-015-33131-00-S1	Sec 13 T17S R30E SENW 2310FNL 2310FWL
		•		32.500698 N Lat, 103.553328 W Lon
NMLC030570A	NMLC030570A	STEVENS A 12	30-015-34225-00-S1	Sec 13 T17S R30E SESW 330FSL 2310FWL
NMLC030570A	NMLC030570A	STEVENS A 13	30-015-34846-00-S1	Sec 13 T17S R30E SESW 330FSL 1650FWL
NMLC030570A	NMLC030570A	STEVENS A 14	30-015-35320-00-S1	Sec 13 T17S R30E SESW 80FSL 1400FWL
NMLC030570A	NMLC030570A	STEVENS A 15	30-015-35321-00-S1	Sec 13 T17S R30E SENW 1820FNL 2310FWL
NMLC030570A	NMLC030570A	STEVENS A 16H	30-015-36146-00-S1	Sec 13 T17S R30E NWSW 2430FSL 350FWL
NMLC030570A	NMLC030570A	STEVENS A 18	30-015-41543-00-S1	Sec 13 T17S R30E SENW 1650FNL 1590FWL
				32,837147 N Lat. 103,928083 W Lon
NMLC030570A	NMLC030570A	STEVENS A 3	30-015-04143-00-S2	Sec 13 T17S R30E SENW 1980FNL 1980FWL
NMLC030570A	NMLC030570A	STEVENS A 4	30-015-04144-00-S2	Sec 13 T17S R30E SWSW 660FSL 660FWL
NMLC030570A	NMLC030570A	STEVENS A 7	30-015-21830-00-S2	Sec 13 T17S R30E SESW 25FSL 1345FWI
NMLC030570A	NMLC030570A	STEVENS A 9	30-015-32441-00-S1	Sec 13 T17S R30E NESW 1650FSL 2310FWL

10. Field and Pool, continued

GRAYBURG GRAYBURG JACKSON UNKNOWN

32. Additional remarks, continued

The following wells are associated with this battery: Stevens A 3 - 30-015-04143Stevens A 4 - 30-015-04144Stevens A 7 - 30-015-21830Stevens A 9 - 30-015-32441Stevens A 10 - 30-015-32793Stevens A 11 - 30-015-33131Stevens A 12 - 30-015-34225Stevens A 13 - 30-015-34846Stevens A 14 - 30-015-35320Stevens A 15 - 30-015-35321Stevens A 16 - 30-015-36146Stevens A 17 - 30-015-38373Stevens A 18 - 30-015-41543

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.