orm 3160-5 August 2007)					•	
		UNITED STATES PARTMENT OF THE INT JREAU OF LAND MANAGE	TERIOR NMO	OMI . OMI	M APPROVED 8 NO, 1004-0135 es: July 31, 2010	
	SUNDRY NOTICES AND REPORTS ON WELLS CONSERVAT			ERVATION NMNM02884	ON NMNM02884B	
	abandoned wel	l. Use form 3160-3 (APD)	for such proposals IA DIS	5TRICT 6. If Indian, Allotte	e or Tribe Name	
	SUBMIT IN TRI	PLICATE - Other instructio	ons on reverse side.	7. If Unit or CA/A 891000558F	greement, Name and/or No.	
<ol> <li>Type of Well</li> <li>Oil Well</li> </ol>	] Gas Well 🔲 Oth	er	RECEI	EIVED 8. Well Name and No. JAMES RANCH UNIT 36		
2. Name of Operator Contact: TRACIE J C BOPCO LP E-Mail: tjcherry@basspet.com			ACIE J CHERRY spet.com	9. API Well No. 30-015-2768	6-00-S1	
			b. Phone No. (include area code h: 432-683-2277	e) 10. Field and Pool, UNDESIGNA		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Paris	sh, and State	
Sec 1 T23S F	30E SWNE 198	OFNL 1860FEL	•	EDDY COUNTY, NM		
12	. CHECK APPF	ROPRIATE BOX(ES) TO R	NDICATE NATURE OF	NOTICE, REPORT, OR OTH	IER DATA	
TYPE OF SUBMISSION TYPE OF ACTION						
Notice of In		C Acidize	Deepen	Production (Start/Resume)	U Water Shut-Off	
		Alter Casing	Fracture Treat	Reclamation	Well Integrity	
Subsequent		Casing Repair	New Construction	Recomplete	Other     Venting and/or Flan	
Final Abandonment Notice		Change Plans Convert to Injection	Plug and Abandon Plug Back	Temporarily Abandon Water Disposal	ng	
Wells produci JAMES RANC JAMES RANC JAMES RANC JAMES RANC JAMES RANC JAMES RANC	CH UNIT 035 / 30 CH UNIT 036* / 3 CH UNIT 038 / 30 CH UNIT 063 / 30 CH UNIT 074 / 30 CH UNIT 082 / 30			SEE ATTACHED CONDITIONS OF		
				Accepted Fo		
14. I hereby certify Name ( <i>Printed/Ty</i>		Electronic Submission #341 For BOP mitted to AFMSS for processi	CO LP, sent to the Carlsba ing by PRISCILLA PEREZ o			
Signature	(Electronic S	ubmission)	Date 06/06/2		h/-1//	
· ·		THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE	X7 171	
· · ·		· · · · · · · · · · · · · · · · · · ·		JUN 2 -20	6	
	···· ··· ···	. Approval of this notice does not			Date	
tify that the application	nt holds legal or equi	table title to those rights in the sub t operations thereon.	ject lease Office		MANN/MI/	
nditions of approval rtify that the applican lich would entitle the le 18 U.S.C. Section	nt holds legal or equi e applicant to conduc 1 1001 and Title 43 U	table title to those rights in the sub operations thereon.	Office the for any person knowingly and	willfully to make to any department	gency of the United	

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## Additional data for EC transaction #341213 that would not fit on the form

## 32. Additional remarks, continued

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JAMES RANCH UNIT 084 / 30-015-31405-00-S1 JAMES RANCH UNIT 062 / 30-015-35340-00-S1 JAMES RANCH UNIT 108H / 30-015-37273-00-S1 JAMES RANCH UNIT 108H / 30-015-38115-00-S1 JAMES RANCH UNIT 109H / 30-015-38114-00-S1

Estimated amount to flare is 200 MCFD, depending on pipeline conditions. Flaring will be intermittent and is necessary due to restricted pipeline capacity.

Gas is commingled at the flare to reduce the number flare stacks that would be needed for individual well locations.

Gas volumes will be metered prior to flaring, allocated back to each well and reported on monthlyproduction 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.
- 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.