UNITED STATES

FORM APPROVED

DEPARTMENT OF THE INTERIOR BUREAU OF 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 SUBMIT IN TRIPLICATE - Other instructions on reverse side 1. Type of Well					OMB NO. 1004-0135 Expires: July 31, 2010		
					5. Lease Serial No. NMLC068431		
					6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on reverse side 19					7. If Unit or CA/Agreement, Name and/or No. 891000303X		
1. Type of Well Gas Well Other 2. Name of Operator Contact: TRACIE 1 CHERRY					8. Well Name and No. POKER LAKE UNIT 261		
2. Name of Operator Contact: TRACIE J CHERRY BOPCO LP E-Mail: tjcherry@basspet.com					9. API Well No. 30-015-34877-00-S1		
P O BOX 2760 MIDLAND, TX 79702			(include area code) 10. Field and Pool, or I 3-2277 NASH DRAW-DI				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, and State			
Sec 21 T24S R30E NWSE 1980FSL 1880FEL				EDDY COUNTY, NM			
12. CHECK APP	ROPRIATE BOX(ES) TO	O INDICATE NA	TURE OF	NOTICE, RI	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
☑ Notice of Intent	☐ Acidize	□ Deepen		☐ Production (Start/Resume)		☐ Water Shut-Off	
Subsequent Report	☐ Alter Casing	☐ Fracture Treat		☐ Reclamation		■ Well Integrity	
	Casing Kepan [] New		nstruction	Recomp		Other Venting and/or Flari	
☐ Final Abandonment Notice	Change Plans	Plug and Abandon		☐ Temporarily Abandon		ng	
13. Describe Proposed or Completed Op	Convert to Injection	☐ Plug Ba		☐ Water □	<u> </u>		
If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for the determined the determ	ally or recomplete horizontally, ork will be performed or provide d operations. If the operation re bandonment Notices shall be fil	give subsurface locat the Bond No. on file sults in a multiple cor	ions and meast with BLM/BIA apletion or rece	red and true ve L. Required sub ompletion in a recommendation	rtical depths of all pertin sequent reports shall be new interval, a Form 316	ent markers and zones. filed within 30 days 0-4 shall be filed once	
. BOPCO, LP respectfully subn 90-days, July - September, 20		of Intent to interm	ittently flare	for .			
Wells producing to this battery are as follows: POKER LAKE UNIT 041 / 30-015-20933-00-S2 POKER LAKE UNIT 261* / 30-015-34877-00-S1 POKER LAKE UNIT 291 / 30-015-35546-00-S1 POKER LAKE UNIT 293H1LAT / 30-015-38112-01-S1 POKER LAKE UNIT 293H2LAT / 30-015-38112-02-S1 POKER LAKE UNIT 343H / 30-015-38667-00-S1			SEE ATTACHED FOR CONDITIONS OF APPROVAL				
POKER LAKE UNIT 325H / 30-015-39392-00-S1 / POKER LAKE UNIT 326H / 30-015-39479-00-S1 /				Acce	Accepted For Record NMOCD AB88116		
14. I hereby certify that the foregoing is	Electronic Submission #3				7) 7	// / /	
Con	For B nmitted to AFMSS for proce	IOPCO LP, sent to essing by PRISCIL	the Carlsba LA PEREZ o	d n 06/09/2016/(16PP(1406SE)		
Name(Printed/Typed) TRACIE J CHERRY			Title REGULATORY-ANALYST				
Signature (Electronic S	ure (Electronic Submission) Date 06/06/2016				PROBLEM S		
	THIS SPACE FO	R FEDERAL O	R STATE	OFFICE US	EJUN 2 7/2/1	5 \	
Approved By		Tit	le		MMM	Mall	
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.			īce		ARLSBAD FI D		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional data for EC transaction #341200 that would not fit on the form

32. Additional remarks, continued

POKER LAKE UNIT 362H / 30-015-40799-00-S1 POKER LAKE UNIT 430H / 30-015-42374-00-S1 POKER LAKE UNIT 431H / 30-015-42246-00-X1

Estimated amount to flare is 500 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 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.
- 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.