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abandoned well. Use form 3160-3 (APD) for such proposite.	SUNDRY NOTICES AND RE		RTS ON WELLS			
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WATES PETROLEUM CORPORATION: Mail: transforgatespetroleum.com 30-015-40127-00-51 W. Adars: Phice Scientific Scientific Science						
105 SOUTH FOURTH STREET Ph: 557444-166 A Location of Well (Pooups: Sec. T. R. M. or Survey Description) Sec 24 T21S R31E SESE 750FSL 330FEL II. County or Pansh, and State EDDY COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION Production (Start/Resume) Subsequent Report Additize Subsequent Report Change Plans Subsequent Report Change Plans Bodies of Uncert Internation Water Shar-Off Motice of Intern Additize Subsequent Report Change Plans Change Plans Plug and Abandon Bodies of Completed Operation (Change Plans Plug and Abandon The proposition of directionally or recomplete International string due to maxeme and one vertex due to maxeme and the second and the origin the operation of the operati		TINA HUERTA espetroleum.com				
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13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and rus vertical depths of all pertinent markers and zones. Attach the Bond and/extended to provide the Endow Anno. Anno. Markin BLM/BLA. Required adupts of all pertinent markers and zones. Attach the Bond and/extended to provide the Endow Anno. Anno. Markin BLM/BLA. Required absequent reports and the first markers and zones. Attach the site is ready for final inspection.) Yates Petroleum Corporation is requesting permission to fiare July 18. August 29. 2016 due to high levels of nitrogen entrained in the gas flow line. The possibility of flare will be inconsistent; therefore, the volume can easily fluctuate. Average Daily oil = 89 BPD Estimated Flare per day = 143 +/. MCF MM OIL CONSERV. ARTESIA DISTRICT JUL 2 9 2016 This circumstantial flare could result longer than 24 hour period and possibly more their the T4T ACHED FOR hours cumulative authorized under NTL4A III.A. Flare volumes will be reported on Corporation System For YATES PETROLEUM CORPORATION, sent to the Cartsbad Committed to AFMSS for processing by JENMFER SANCHEZ on 07/19/2016 [SUARST475E] Name(Primed/Typed) TINA HUERTA Signature (Electronic Submission) Title Title Title Title Title Conditions of approval, if any, are attached. Approval of this notice dees not warrant or which would entile the applicant to odder or equitable tile to hose rights in the subject lease which would entile the applicant to odder or equitable tile to hose rights in the subject lease which would entile the applicanto conduct operations thereous or person know	Final Abandonment Notice	_			-	
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** BLM REVISED **	Title 18 U.S.C. Section 1001 and Title 43		Office			
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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.