Fcim 31607 (June 2015) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS OF SUBJECT OF					FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018		
					5. Lease Serial No. NMNM0247971		
Do not use this form for proposals to drill or to receptor an abandoned well. Use form 3160-3 (APD) for such proposals A MCSIA						6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well					8. Well Name and No. SKELLY FEDERAL 1		
Oil Well Gas Well Other Contact: STEPHANIE GUTIERREZ					9. API Well No. 30-015-20075-00-S1		
FASKEN OIL & RANCH LIMITED E-Mail: stephanieg@forl.com 3a. Address 3b. Phone No. (include area code)					10. Field and Pool or Exploratory Area		
6101 HOLIDAY HILL ROAD MIDLAND, TX 79707					N INDIAN HILLS		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State		
Sec 9 T21S R24E SWSW					EDDY COUNTY, NM		
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICATE	NATURE OI	F NOTICE,	REPORT, OR OT	HER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	🗖 Acidize	Deepen Deepen		Product	ion (Start/Resume)	□ Water Shut-Off	
Subsequent Report	Alter Casing		Hydraulic Fracturing		ation	U Well Integrity	
	Casing Repair	-	w Construction	Recomp		Other Venting and/or Flari	
Final Abandonment Notice	Change Plans Plug and Abandon Convert to Injection Plug Back		Temporarily Abandon		ng		
testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection. Fasken Oil and Ranch, Ltd. requests a flare permit for the above well starting on July 24, 2018 through August 24, 2018. Natural is performing pipeline maintenance and said the work should only last for several days, but we want to go ahead and request a month in case of unforeseen issues. Well will be flaring 70 MCFPD.							
Accepted for recording 0.7 2018 NMOCD SIBLIS DISTRICT II-ARTESIA O.C.D. AB							
14. I hereby certify that the foregoing is true and correct. Electronic Submission #428861 verified by the BLM Well Information System For FASKEN OIL & RANCH LIMITED, sent to the Carlsbad							
Committed to AFMSS for processing by DEBORAH				AH MCKINNEY on 07/27/2018 (18DLM0498SE)			
Name (Printed/Typed) STEPHAN							
Signature (Electronic Submission) Date				018			
	THIS SPACE FO	DR FEDERAL	OR STATE (SE		
Approved By /s/ Jonathon Shepard			AUG. 0 1 201				
Conditions of approval, if any, are attached. Approval of this notice does not war certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.							
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.							
(Instructions on page 2) ** BLM REVISED **							

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Condition of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- All flaring under this request is considered to be "avoidably lost": <u>Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08"</u>.

Exceptions:

- a. The first 24 hours of a <u>temporary emergency flare</u> is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 3179.105.