Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE TUTE BUREAU OF LAND MANAGEMEN DOOR OF THE TUTE BUREAU OF THE TUTE BUREAU OF LAND MANAGEMEN DOOR OF THE TUTE BUREAU OF LAND MANAGEMEN DOOR OF THE TUTE BUREAU OF THE TUTE BUREAU OF LAND MANAGEMEN DOOR OF THE TUTE BUREAU OF THE TUTE BUREAU OF THE TUTE BUREAU OF THE BUREAU OF LAND MANAGEMEN DOOR OF THE BUREAU OF THE BUREAU

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS A PACE Do not use this form for proposals to drill of the scheral I I CSI & NMLC029415B 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No NOSLER FEDERAL 1 ☑ Oil Well ☐ Gas Well ☐ Other 9. API Well No. 2. Name of Operator Contact: LESLIE GARVIS BURNETT OIL COMPANY INC E-Mail: LGARVIS@BURNETTOIL.COM 30-015-38633-00-S1 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 801 CHERRY STREET UNIT 9 SUITE 1500 Ph: 817-583-8730 **FREN** Fx: 817-332-8438 FORT WORTH, TX 76102-6881 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 12 T17S R31E NENW 330FSL 990FWL EDDY COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Production (Start/Resume) ■ Water Shut-Off ☐ Acidize □ Deepen ■ Notice of Intent ■ Well Integrity ☐ Alter Casing ☐ Hydraulic Fracturing □ Reclamation ☐ Subsequent Report Casing Repair ■ New Construction □ Recomplete Other Venting and/or Flari ☐ Final Abandonment Notice □ Change Plans □ Plug and Abandon ☐ Temporarily Abandon ☐ Convert to Injection ☐ Plug Back ■ Water Disposal 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 true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once 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. Burnett is requesting permission to flare at the Nosler battery from April through June 2019. We will only be flaring as needed (i.e during DCP maintenance). All gas flared will be metered and reported as per BLM requirements. APR 1 2 2019 We have previously received approval to install a flare at this location and an updated battery diagram showing the flare location is on file. Accepted for record The Nosler battery is located at: T17S, R 31 E, SECTION 12, UNIT P, SESE 799' FSL, 564' FEL LEASE: NMLC-029415B 14. I hereby certify that the foregoing is true and correct. Electronic Submission #459776 verified by the BLM Well Information System
For BURNETT OIL COMPANY INC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/01/2019 (19PP1511SE) Name (Printed/Typed) LESLIE GARVIS Title REGULATORY MANAGER Signature (Electronic Submission) 04/01/2019 THIS SPACE FOR FEDERAL OR STATE OFFICE USE /s/ Jonathon Shepard APR_{at}o 4 2019 TuPetroleum Engineer Approved By Carisbad Field Conditions of approval, if any, are attached. Approval of this notice does not warrant d certify that the applicant holds legal or equitable title to those rights in the subject lease Office 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.

Additional data for EC transaction #459776 that would not fit on the form

32. Additional remarks, continued

The following wells are associated with this battery: Nosler 1 - 30-015-38633 Nosler 5 - 30-015-40830

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Conditions of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). 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, 3179.101 3179.104.