Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTER **BUREAU OF LAND MANAGEM**

NMOCD

RIOR	Artesia	OMB NO. 1004-013: Expires: July 31, 201			
ON WE		5. Lease Serial No. NMLC068408			
or to re-enter an		4 IChalian Allan Carlo North			

SUNDR) Do not use to abandoned w	NMLC068408 6. If Indian, Allottee or Tribe Name								
SUBMIT IN TE	7. If Unit or CA/Agreement, Name and/or No. 891000326X								
1. Type of Well	8. Well Name and No.								
☑ Oil Well ☐ Gas Well ☐ C	BIG EDDY UNIT DI4 264H								
Name of Operator BOPCO LP	9. API Well No. 30-015-42478-00-S1								
3a. Address P O BOX 2760 MIDLAND, TX 79702	,	o. (include area code 83-2277) .	10. Field and Pool, or Exploratory GATUNA CANYON					
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)		11. County or Parish, and State						
Sec 5 T20S R31E Lot 2 660 32.362767 N Lat, 103.53152	EDDY COUNTY, NM								
12. CHECK API	PROPRIATE BOX(ES) TO	INDICATI	ENATURE OF 1	NOTICE, RI	EPORT, OR OTHE	R DATA			
TYPE OF SUBMISSION			TYPE O	F ACTION	:				
S Notice of Intent	☐ Acidize	☐ Deepen ☐ Produ		□ Producti	tion (Start/Resume)				
Notice of Intent	☐ Alter Casing	☐ Fra	☐ Fracture Treat ☐ Reel		ution	■ Well Integrity •			
☐ Subsequent Report	Casing Repair	□ Nev	w Construction	□ Recomp	lete	Other			
☐ Final Abandonment Notice	☐ Change Plans	☐ Plu	g and Abandon	☐ Temporarily Abandon		Venting and/or Flari			
	☐ Convert to Injection	🗖 Plu	☐ Plug Back ☐ Wat		Disposal				
following completion of the involve testing has been completed. Final a determined that the site is ready for BOPCO, LP respectfully sub 90-days, April - June 2016.	Abandonment Notices shall be filed final inspection.)	d only after all	requirements, includ	ling reclamation	icw intervat, a Form 316 i, have been completed, a	n-4 shall be filed once and the operator has			
Wells producing to this batte Big Eddy Unit DI4 264H* / 30 Big Eddy Unit DI4 270H / 30	J-015-42478 -015-42479		(CONDI	TACHEIMFO TIONS OF A	MRCONSERVATIO			
Estimated amount to flare is intermittent and is necessary			litions. Flaring wi	ill be					
Gas volumes will be metered production reports.	Gas volumes will be metered prior to flaring, allocated back to each well and reported on monthly								
	•					O'ccola			
14. I hereby certify that the foregoing	Electronic Submission #3:	33116 verifie	d by the BLM Wel	II Information	/ / '				
C	For BC ommitted to AFMSS for proce	essing by A	nt to the Carlsba HLEY PEREZ on	d 03/10/2016 (1	6AP0026SE)				
Name (Printed/Typed) TRACIE	J CHERRY	Title REGUL	ATORY ANA	NYST /					
Signature (Electronic	Submission)		Date 03/08/20	016	PROVE/				
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE US	E /				
Approved By			Title	1		1) That W			
Conditions of approval, if any, are attach certify that the applicant holds legal or ed which would entitle the applicant to cond	quitable title to those rights in the s	Office /	CARLSE CARLSE	LAND A JOHN AD FIFE UFFILE					
Fitle 18 U.S.C. Section 1001 and Title 4.	3 U.S.C. Section 1212, make it a cr	rime for any pe	rson knowingly and	willfully to mal	ke to any department or a	agency of the United			

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.
- 7. 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.