	DEPARTMENT OF THE INTI BUREAU OF LAND MANAGE SUNDRY NOTICES AND REPORT			NMOCH A masia	OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No.	
				Artesia	NMLC055264	264
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Ag NMNM125791	reement, Name and/or 1 1
1. Type of Well Gas Well D Other					8. Well Name and No. JACKSON B 41H	
2. Name of Operator BURNETT OIL COMPANY INC E-Mail: Igarvis@burnettoil.com					9. API Well No. 30-015-33133-00-S1	
	/ STREET UNIT TH, TX 76102-68		3b. Phone No. (include area code) Ph: 817-583-8730		10. Field and Pool, or Exploratory CEDAR LAKE-YESO	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			1)		11. County or Parisl	h, and State
Sec 24 T17S R30E SENE 2310FNL 380FEL				EDDY COUNTY, NM		TY, NM
	CHECK APP	ROPRIATE BOX(ES) TO	O INDICATE NATURE	E OF NOTICE, R	EPORT, OR OTH	ER DATA
TYPE OF SU	BMISSION	N TYPE OF ACTION				m
Notice of In	Intent Acidize		Deepen	D Product	tion (Start/Resume)	🖸 Water Shut-C
		Alter Casing	Fracture Treat	🗖 Reclam	ation	🗖 Well Integrity
Subsequent	Report	Casing Repair	New Construction	on 🖸 Recom	olete	Other
🔲 Final Abanc	Ionment Notice	Change Plans	Plug and Aband	lon 🗖 Tempo	arily Abandon	Venting and/or ng
		Convert to Injection	🗖 Plug Back	🖸 Water I	Disposal	
following compl testing has been determined that Burnett is req	letion of the involved completed. Final Al the site is ready for f uesting permissi	on to flare at the Jackson	sults in a multiple completion ed only after all requirements, B 6 battery from April th	or recompletion in a , including reclamatio nrough June 2016	new interval, a Form 3 n, have been completed NM (160-4 shall be filed once
We will only b reported as p	pe flaring as need er BLM requirerr	led (i.e during DCP main ents	1	4		
We have prev	viously received	approval to install a flare ry diagram showing the fl		subsque	,	JUL 25 2016
The Jackson B6 battery is located at: T17S, R 30 E, SECTION 24, UNIT H, SENE				SEE A	TTACHED	FOR
2310' FNL, 30 LEASE: NML	BO' FWL	,	Accepted F	CONE	DITIONS OI	F APPROVA
LEASE. NMC	C-033204		Accepted F NMO	OF RECORD	216	
14. I hereby certify	that the foregoing is	Electronic Submission #	340076 verified by the BL	.M Well Informatio		· · ·
	Con	For BURNETT	OIL COMPANY INC. sen	t to the Carlsbad	-	$\langle \rangle$
Name (Printed/T	(ped) LESLIE (EGULATORY C	, , , ,	/)
Signature (Electronic Submission)					<u> / PRAV/ P</u>	
		THIS SPACE FO	DR FEDERAL OR ST		/	
_Approved By				<u> </u>	IUN 2 4 2016	Date
	al, if any, are attache	1. Approval of this notice does	not warrant or subject lease	V	IN ANI MAGE	ON // MM
Conditions of approva certify that the applica which would entitle the	te applicant to condu	ct operations thereon.	Office		UI LANI M. HAGE	

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Additional data for EC transaction #340076 that would not fit on the form

32. Additional remarks, continued

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> The following wells are associated with this battery: Jackson B 41 - 30-015-33133 Jackson B 44 - 30-015-34864 Jackson B 45 - 30-015-35398 Jackson B 46 - 30-015-36306 Jackson B 66 - 30-015-41750 Jackson B 67 - 30-015-41968 Jackson B 70 - 30-015-42043 Jackson B 72 - 30-015-42045

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.