Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

	Expires, July	
5.	Lease Serial No.	
	NMLC029548A	

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals

abandoned we	II. Use form 3160-3 (APD) fo	. 6.	If Indian, Allottee o	r Inbe Name		
SUBMIT IN TRI	PLICATE - Other instruction	s on reverse side.	7.	If Unit or CA/Agree	ement, Name and/or No.	
Type of Well	her	•	8.	8. Well Name and No. C A RUSSELL 5		
2. Name of Operator		RA A MORENO lergy.com	9. API Well No. 30-015-05218-00-S1			
3a. Address 600 TRAVIS STREET SUITE HOUSTON, TX 77002	5100 Ph	Phone No. (include area cod: 713-904-6657 832-209-4316	le) 10	10. Field and Pool, or Exploratory GRAYBURG		
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)		11	. County or Parish, a	and State	
Sec 18 T17S R31E SWNW 22	200FNL 440FWL			EDDY COUNTY	', NM	
. 12. CHECK APPI	ROPRIATE BOX(ES) TO INI	DICATE NATURE OF	NOTICE, REPO	RT, OR OTHE	R DATA	
TYPE OF SUBMISSION	•	ТҮРЕ (OF ACTION .			
Notice of Intent	☐ Acidize	□ Deepen	☐ Production ((Start/Resume)	■ Water Shut-Off	
_	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	1	■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair	■ New Construction	☐ Recomplete	•	⊠ Other	
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily	Abandon (Venting and/or Flari	
	Convert to Injection	☐ Plug Back	■ Water Dispo	osal		
following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fi LINN RESPECTFULLY REQUEURTHER EXPLORE GAS IN	andonment Notices shall be filed only nal inspection.) JESTS TO FLARE 21 MCF/D I	y after all requirements, inclu FOR 90 DAYS FROM F	EBRUARY 2016	ve been completed, a	nd the operator has 016 TO	
PLEASE SEE ATTACHED WE	,			VSERVATION DISTRICT		
•	A	ccepted For		JUL 2	9 2016	
		NMOCD)	RECE	IVED	
		•				
14. I hereby certify that the foregoing is	Electronic Submission #34475	NCORPORÁTED, sent t	o the Carlsbad			
Name (Printed/Typed) LAURA A	Title REGUI	LATORY ADVISO)R			
Signature (Electronic S	ubmission)	Date 07/14/2	2016		<u> </u>	
	THIS SPACE FOR FE	EDERAL OR STATE	OFFICE USE			
Approved By /S/ DAV	ID R. GLASS	Title PE	TROLEUM EN	SINEER .	DAUL 19 2016	
Conditions of approval, if any, are attached ertify that the applicant holds legal or equi which would entitle the applicant to conduct.	table title to those rights in the subjec-				_**·.i	
itle 18 U.S.C. Section 1001 and Title 43 U	J.S.C. Section 1212, make it a crime f	or any person knowingly and	d willfully to make to	any department or a	gency of the United	

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CA RUSSELL BATTERY

API	Well Name	Well Number	Type
30-015-05218	C A RUSSELL	#005	Oil
30-015-28809	C A RUSSELL	#012	Oil
30-015-28756	C A RUSSELL	#013	Oil
30-015-28799	C A RUSSELL	#014	Oil
30-015-28757	C A RUSSELL	#015	Oil
30-015-28867	C A RUSSELL	#016	Oil
30-015-28835	C A RUSSELL	#017	Oil
30-015-28794	C A RUSSELL	. #018	Oil
30-015-28924	C A RUSSELL	#019	Oil
30-015-28889	C A RUSSELL	#020	Oil
30-015-28868	C A RUSSELL	#021	Oil

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 (575) 234-5972 Venting and/or Flaring Conditions of Approval

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.

Conditions 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.
- 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.