

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

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

HOBBS OCD
APR 10 2017
RECEIVED

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.

NMOCD
Hobbs

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMNM108500
2. Name of Operator EOG RESOURCES INCORPORATED Contact: LORI J NUGENT E-Mail: Lori_Nugent@eogresources.com	6. If Indian, Allottee or Tribe Name
3a. Address MIDLAND, TX 79702	7. If Unit or CA/Agreement, Name and/or No. NMNM131439
3b. Phone No. (include area code) Ph: 432-686-3670	8. Well Name and No. DIAMOND 8 FED COM 4H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T25S R34E NWNW 330FNL 430FWL	9. API Well No. 30-025-40189-00-S1
	10. Field and Pool or Exploratory Area RED HILLS
	11. County or Parish, State LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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.

EOG Resources, Inc. contacted Jennifer Sanchez with the BLM on 12/14/2016 regarding flare sundries that inadvertently had not been filed from 3/2013 - 6/2016. EOG Resources, Inc. reviewed files to determine flare volumes and reasons for flaring. Ms. Sanchez asked that EOG Resources, Inc. submit one sundry for each lease listing all volumes flared for the time period stated. EOG Resources, Inc. is reviewing other lease files and will submit other sundries as these reviews are complete.

EOG Resources, Inc. respectfully requests SEC OAS royalty free flare dispositions under NTL-4A.

See attached Exhibit A for detailed flare information

See attached Exhibit B for additional well/lease information

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #371702 verified by the BLM Well Information System
For EOG RESOURCES INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by JENNIFER SANCHEZ on 03/30/2017 (17JAS0223SE)**

Name (Printed/Typed) LORI J NUGENT	Title PREPARER
Signature (Electronic Submission)	Date 03/30/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____
Office _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

ACCEPTED FOR RECORD
MAR 30 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Accepted for Record Only

MSB/OCD 4/12/2017

ATTACHMENT - EXHIBIT A
 AGREEMENT
 LEASE

MULTIPLE - SEE ATTACHED EXHIBIT B
 NMNM108500

EQUIPMENT NAME
 DIAMOND 8 FC 4H FLARE 60387006

To the best of my knowledge, the Flare meter is located on lease and is one of five flare meters on this lease.

WELLS		VOLUME		REASON	GAS SALES
DIAMOND 8 FC 4H	6/2013	3,837 Flare 16 days	240.8 hrs	Unavoidable Loss / compressor issues	0
	7/2013	385 Flare 6 days	17.9 hrs	Unavoidable Loss / SUG HLP / compressor issues / gas line failure	493
	8/2013	715 Flare 5 days	28.3 hrs	Unavoidable Loss / SUG plant problems	0
	9/2013	1,157 Flare 18 days	118.4 hrs	Unavoidable Loss	4,509
	10/2013	30 Flare 12 days	1.8 hrs	Unavoidable Loss	6,638
	7/2014	4 Flare 1 day	.3 hr	Unavoidable Loss	1,702
	8/2014	8 Flare 5 days	1 hr	Unavoidable Loss/ HLP	2,508
	1/2015	2,895 Flare 14 days	192.5 hrs	Unavoidable Loss / Regency shut in / pipeline leak	4,447
	2/2015	1,755 Flare 18 days	73.5 hrs	Unavoidable Loss / Regency shut in / compressor issues	15,191
	3/2015	5,156 Flare 21 days	186.6 hrs	Unavoidable Loss / Regency shut in / compressor issues	25,209
	4/2015	13,605 Flare 20 days	316.4 hrs	Unavoidable Loss / Regency shut in	21,781
	5/2015	1,146 Flare 13 days	42.5 hrs	Unavoidable Loss	29,339
	6/2015	15,832 Flare 30 days	718 hrs	Unavoidable Loss	17,247
	7/2015	6 Flare 2 days	1 hr	Unavoidable Loss	29,349
	8/2015	8,818 Flare 19 days	380 hrs	Unavoidable Loss / compressor issues	13,540
	9/2015	5,326 Flare 12 days	187.5 hrs	Unavoidable Loss/ HLP	18,663
	10/2015	439 Flare 8 days	25.25 hrs	Unavoidable Loss / Regency shut in	28,238
	11/2015	4 Flare 1 day	.5 hr	Unavoidable Loss	31,600
	12/2015	84 Flare 5 days	7.4 hrs	Unavoidable Loss/ HLP	17,155
	1/2016	29 Flare 6 days	2.4 hrs	Unavoidable Loss / compressor issues	1,563
	4/2016	3 Flare 1 day	.1 hr	Unavoidable Loss	4,512

EQUIPMENT NAME
 DIAMOND 8 FC 5H FLARE 60387007

To the best of my knowledge, the Flare meter is located on lease and is one of five flare meters on this lease.

WELLS		VOLUME		REASON	GAS SALES
DIAMOND 8 FC 5H	6/2013	1,702 Flare 10 days	63.6 hrs	Unavoidable Loss	16,653
	7/2013	1,564 Flare 6 days	43 hrs	Unavoidable Loss / SUG HLP	9,588
	8/2013	301 Flare 4 days	13.5 hrs	Unavoidable Loss / SUG plant problems	0
	9/2013	19 Flare 2 days	1 hr	Unavoidable Loss / HLP	0
	4/2014	3 Flare 1 day	.3 hr	Unavoidable Loss	1,905
	5/2014	112 Flare 3 days	5.75 hrs	Unavoidable Loss	0
	8/2014	37 Flare 8 days	4.25 hrs	Unavoidable Loss / HLP	0
	11/2014	3,178 Flare 8 days	145.3 hrs	Unavoidable Loss	527
	12/2014	7,589 Flare 27 days	358 hrs	Unavoidable Loss	0
	1/2015	3,568 Flare 19 days	193.7 hrs	Unavoidable Loss / Regency shut in / pipeline leak	0
	2/2015	1,281 Flare 6 days	81.6 hrs	Unavoidable Loss / Regency shut in / compressor issues	1,210
	3/2015	864 Flare 10 days	62 hrs	Unavoidable Loss / Regency shut in	1,099
	4/2015	859 Flare 9 days	87.25 hrs	Unavoidable Loss / Regency shut in	0
	9/2015	122 Flare 3 days	7.75 hrs	Unavoidable Loss / HLP	3,742
	10/2015	571 Flare 4 days	29.7 hrs	Unavoidable Loss / Regency shut in	4,618
	11/2015	1,433 Flare 11 days	110.5 hrs	Unavoidable Loss	3,927
	12/2015	1,008 Flare 5 days	79.5 hrs	Unavoidable Loss / HLP	6,014
	1/2016	9 Flare 2 days	2.25 hrs	Unavoidable Loss / HLP	6,503
	4/2016	113 Flare 2 days	7.4 hrs	Unavoidable Loss / compressor issues	3,293

EQUIPMENT NAME
 RHNU HALLWOOD 102 60387013 FLARE
 RHNU DIAMOND 802 60387012 FLARE

To the best of my knowledge, these Flare meters are located on lease and are two of five flare meters on this lease.

WELLS		VOLUME		REASON	GAS SALES
RHNU 602	8/2013	57 Flare 12 days	66.3 hrs	Unavoidable Loss / SUG high line pressure	1,440
	9/2013	3 Flare 3 days	4.5 hrs	Unavoidable Loss / SUG high line pressure	1,629
	10/2013	16 Flare 9 days	18.4 hrs	Unavoidable Loss / SUG high line pressure	1,195
	11/2013	4 Flare 3 days	4.2 hrs	Unavoidable Loss / SUG high line pressure	1,233
	1/2014	30 Flare 1 day	1.5 hrs	Unavoidable Loss	1,206
	2/2014	191 Flare 10 days	111.1 hrs	Unavoidable Loss	1,012
	3/2014	27 Flare 4 days	19 hrs	Unavoidable Loss	1,131
	4/2014	36 Flare 3 days	.4 hr	Unavoidable Loss	1,115
	5/2014	128 Flare 6 days	45.3 hrs	Unavoidable Loss	1,244
	6/2014	77 Flare 6 days	54.2 hrs	Unavoidable Loss	1,125
	7/2014	132 Flare 3 days	27.3 hrs	Unavoidable Loss	1,020
	8/2014	1,487 Flare 27 days	4338.3 hrs	Unavoidable Loss	531
	9/2014	437 Flare 20 days	219.2 hrs	Unavoidable Loss	488
	10/2014	174 Flare 10 days	71.5 hrs	Unavoidable Loss	588
	11/2014	830 Flare 10 days	137.1 hrs	Unavoidable Loss	526

12/2014	19 Flare 13 days	76.5 hrs	Unavoidable Loss	44
2/2015	212 Flare 17 days	295 hrs	Unavoidable Loss	166
3/2015	366 Flare 29 days	461.2 hrs	Unavoidable Loss / high line pressure	265
4/2015	424 Flare 29 days	474.6 hrs	Unavoidable Loss / high line pressure	256
5/2015	101 Flare 19 days	143.9 hrs	Unavoidable Loss / high line pressure	490
6/2015	178 Flare 16 days	90.9 hrs	Unavoidable Loss / high line pressure / Regency shut in	404
7/2015	198 Flare 27 days	257.6 hrs	Unavoidable Loss / high line pressure	326
8/2015	350 Flare 18 days	246.2 hrs	Unavoidable Loss / high line pressure	357
9/2015	13 Flare 1 day	1.25 hrs	Unavoidable Loss / high line pressure	1,236
10/2015	37 Flare 10 days	40.7 hrs	Unavoidable Loss	1,067
11/2015	60 Flare 4 days	31.4 hrs	Unavoidable Loss	920
12/2015	394 Flare 10 days	150.9 hrs	Unavoidable Loss / high line pressure / Regency shut in	1,042
1/2016	792 Flare 10 days	167 hrs	Unavoidable Loss / high line pressure	1,402
2/2016	6 Flare 1 day	.8 hr	Unavoidable Loss	1,472
3/2016	62 Flare 7 days	16.4 hrs	Unavoidable Loss	1,367
4/2016	929 Flare 28 days	387 hrs	Unavoidable Loss / high line pressure	751
5/2016	56 Flare 4 days	339 hrs	Unavoidable Loss / high line pressure	1,313

RHNU 603

8/2013	36 Flare 12 days	66.3 hrs	Unavoidable Loss / SUG high line pressure	904
9/2013	2 Flare 3 days	4.5 hrs	Unavoidable Loss / SUG high line pressure	1,139
10/2013	17 Flare 9 days	18.4 hrs	Unavoidable Loss / SUG high line pressure	1,271
11/2013	4 Flare 3 days	4.2 hrs	Unavoidable Loss / SUG high line pressure	1,312
1/2014	31 Flare 1 day	1.5 hrs	Unavoidable Loss	1,257
2/2014	202 Flare 10 days	111.1 hrs	Unavoidable Loss	1,072
3/2014	30 Flare 4 days	19 hrs	Unavoidable Loss	1,239
4/2014	40 Flare 3 days	.4 hr	Unavoidable Loss	1,217
5/2014	138 Flare 6 days	45.3 hrs	Unavoidable Loss	1,333
6/2014	83 Flare 6 days	54.2 hrs	Unavoidable Loss	1,206
7/2014	141 Flare 3 days	27.3 hrs	Unavoidable Loss	1,093
8/2014	1,594 Flare 27 days	4338.3 hrs	Unavoidable Loss	569
9/2014	468 Flare 20 days	219.2 hrs	Unavoidable Loss	523
10/2014	187 Flare 10 days	71.5 hrs	Unavoidable Loss	630
11/2014	890 Flare 10 days	137.1 hrs	Unavoidable Loss	563
12/2014	298 Flare 13 days	76.5 hrs	Unavoidable Loss	713
1/2015	9 Flare 7 days	40.9 hrs	Unavoidable Loss	315
2/2015	327 Flare 17 days	295 hrs	Unavoidable Loss	256
3/2015	508 Flare 29 days	461.2 hrs	Unavoidable Loss / high line pressure	369
4/2015	589 Flare 29 days	474.6 hrs	Unavoidable Loss / high line pressure	355
5/2015	140 Flare 19 days	143.9 hrs	Unavoidable Loss / high line pressure	677
6/2015	248 Flare 16 days	90.9 hrs	Unavoidable Loss / high line pressure / Regency shut in	561
7/2015	275 Flare 27 days	257.6 hrs	Unavoidable Loss / high line pressure	452
8/2015	489 Flare 18 days	246.2 hrs	Unavoidable Loss / high line pressure	500
9/2015	13 Flare 1 day	1.25 hrs	Unavoidable Loss / high line pressure	1,219
10/2015	67 Flare 10 days	40.7 hrs	Unavoidable Loss	1,943
11/2015	133 Flare 4 days	31.4 hrs	Unavoidable Loss	2,028
12/2015	600 Flare 10 days	150.9 hrs	Unavoidable Loss / high line pressure / Regency shut in	1,590
1/2016	586 Flare 10 days	167 hrs	Unavoidable Loss / high line pressure	1,037
2/2016	4 Flare 1 day	.8 hr	Unavoidable Loss	1,001
3/2016	47 Flare 7 days	16.4 hrs	Unavoidable Loss	1,048
4/2016	1,068 Flare 28 days	387 hrs	Unavoidable Loss / high line pressure	863
5/2016	71 Flare 4 days	339 hrs	Unavoidable Loss / high line pressure	1,671

EQUIPMENT NAME

RHNU HALLWOOD 201 60387011 FLARE

To the best of my knowledge, the Flare meter is located on lease and is one of five flare meters on this lease.

WELLS

RHNU 309

8/2013	2,133 Flare 26 days	456.4 hrs	Unavoidable Loss / SUG High Line pressure	2,904
9/2013	3,758 Flare 30 days	703.4 hrs	Unavoidable Loss / SUG High Line pressure	2,689
10/2013	3,388 Flare 29 days	459.3 hrs	Unavoidable Loss / SUG High Line pressure	5,282
11/2013	222 Flare 6 days	35.3 hrs	Unavoidable Loss / SUG High Line pressure	7,207
12/2013	155 Flare 5 days	21.9 hrs	Unavoidable Loss / SUG High Line pressure	7,175
2/2014	136 Flare 9 days	28.2 hrs	Unavoidable Loss	6,006
3/2014	4 Flare 2 days	1 hr	Unavoidable Loss	6,717
5/2014	207 Flare 4 days	28.7 hrs	Unavoidable Loss	5,762
6/2014	363 Flare 15 days	51.8 hrs	Unavoidable Loss	6,719
7/2014	445 Flare 11 days	65.5 hrs	Unavoidable Loss	4,852
8/2014	1,759 Flare 26 days	284 hrs	Unavoidable Loss	1,964
9/2014	3,396 Flare 28 days	483.5 hrs	Unavoidable Loss	2,524
10/2014	1,387 Flare 22 days	186.2 hrs	Unavoidable Loss / High Line pressure	4,040
11/2014	3124 Flare 22 days	353.8 hrs	Unavoidable Loss	2,588
12/2014	2,540 Flare 24 days	354.8 hrs	Unavoidable Loss	4,519
1/2015	1,401 Flare 16 days	184.2 hrs	Unavoidable Loss	6,057
2/2015	2856 Flare 27 days	403.6 hrs	Unavoidable Loss / High Line pressure / Regency shut in	3,099
3/2015	3449 Flare 31 days	491.4 hrs	Unavoidable Loss / High Line pressure / Regency shut in	3,156
4/2015	2108 Flare 29 days	457.8 hrs	Unavoidable Loss / High Line pressure / Regency shut in	3,170
5/2015	766 Flare 26 days	392.4 hrs	Unavoidable Loss / High Line pressure	1,371

6/2015	736 Flare 16 days	259.7 hrs	Unavoidable Loss / High Line pressure / Regency shut in	1,265
7/2015	1447 Flare 31 days	580.4 hrs	Unavoidable Loss / High Line pressure	646
8/2015	1034 Flare 27 days	391.3 hrs	Unavoidable Loss / High Line pressure	902
9/2015	186 Flare 18 days	193.5 hrs	Unavoidable Loss / High Line pressure	867
10/2015	82 Flare 11 days	87 hrs	Unavoidable Loss / High Line pressure	1,289
11/2015	78 Flare 10 days	42.7 hrs	Unavoidable Loss / High Line pressure	1,970
12/2015	667 Flare 20 days	306 hrs	Unavoidable Loss / High Line pressure / Regency shut in	1,226
1/2016	631 Flare 21 days	296.2 hrs	Unavoidable Loss / High Line pressure	1,268
2/2016	6 Flare 9 days	9.3 hrs	Unavoidable Loss	1,846
3/2016	35 Flare 9 days	16.4 hrs	Unavoidable Loss	3,416
4/2016	1442 Flare 20 days	317.7 hrs	Unavoidable Loss / High Line pressure	2,727
5/2016	91 Flare 12 days	36.9 hrs	Unavoidable Loss / High Line pressure	3,084

ATTACHMENT - EXHIBIT B
 5. Lease Serial No., continued

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location	Type	Field/Pool	County	State
NMNM131439 ✓	NMNM108500	DIAMOND 8 FC 4H	30-025-40189-00-S1	SEC 8 T25S R34E NWNW 330 FNL 430 FWL	OIL	RED HILLS	LEA	NM
NMNM131439 ✓	NMNM108500	DIAMOND 8 FC 5H	30-025-40552-00-S1	SEC 8 T25S R34E NWNW 330 FNL 1310 FWL	OIL	RED HILLS	LEA	NM
NMNM104037X ✓	NMNM108500	RHNU 603	30-025-32680-00-S1	SEC 6 T25S R34E SWSW 510 FSL 660 FWL	OIL	RED HILLS	LEA	NM
NMNM104037X ✓	NMNM108500	RHNU 309	30-025-36499-00-S1	SEC 13 T25S R33E SENW 2200 FNL 2500 FWL	OIL	RED HILLS	LEA	NM
NMNM104037X ✓	NMNM108500	RHNU 602	30-025-32611-00-S1	SEC 6 T25S R34E SESW 510 FSL 1980 FWL	OIL	RED HILLS	LEA	NM

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

Pursuant to **NTL-4A III**, Lessees or operators are hereby authorized to vent or flare gas on a short-term basis without incurring a royalty obligation in the following circumstances:

- A. Emergencies. During temporary emergency situations, such as compressor or other equipment failures, relief of abnormal system pressures, or other conditions which result in the unavoidable short-term venting or flaring of gas. However, this authorization to vent or flare gas in such circumstances without incurring a royalty obligation is limited to 24 hours per incident and to 144 hours cumulative for the lease during any calendar month, except with the prior authorization, approval, ratification, or acceptance of the Supervisor.
- B. Well Purging and Evaluation Tests. During the unloading or cleaning up of a well during drillstem, producing, routine purging, or evaluation tests, not exceeding a period of 24 hours.
- C. Initial Production Tests. During initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first, unless a longer test period has been authorized by the appropriate State regulatory agency and ratified or accepted by the Supervisor.
- D. Routine or Special Well Tests. During routine or special well tests, other than those cited in NTL-4A III.B and C above, only after approval by the Supervisor.

If a flaring event conforms with the requirements listed above as per NTL-4A III., the flared volumes are not royalty bearing and the operator does not need to submit a Sundry Notice. Report flared volumes as unavoidably lost on OGOR B.

Condition of Approval to Flare Gas

1. The first 24 hours of a temporary emergency flare* 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). NTL-4A specifies no more than 24 hours per incident and no more 144 hours cumulative for the lease during any calendar month. These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
2. Flared volumes considered to be "avoidably lost":
 - Exceeding the first 24 hours for each temporary emergency flare event (144 hours cumulative for the lease per month), well purging and evaluation test.
 - During initial well evaluation tests, exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first
 - Scheduled flaring operations

These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in NTL-4A are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with NTL-4A.IV.B.. Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08". If the operator believes that the flared volumes were "unavoidably lost" and the BLM determines them to be "avoidably lost", the operator can submit a more detailed request via Sundry Notice (Form 3160-5) for an exception in accordance with NTL-4A.IV.B.. As an alternative to producing oil and flaring gas the operator may choose to shut the well in and avoid paying royalties on otherwise avoidably lost gas.

3. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a Sundry Notice (Form 3160-5). Include method for volume determination and duration. Report unavoidably lost (first 24 hrs of unexpected event) and avoidably lost (exceeding the first 24 hrs or flared gas that has been approved as avoidably lost by the Authorized Officer) volumes and durations on the Subsequent Report.

5. In determining the volumes of gas to be reported in accordance with NTL-4A the BLM CFO requires 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 Notice (Form 3160-5).
 - If installation of an approved gas meter is not economically feasible for continued operations. Submit Notice of Intent - Sundry Notice (Form 3160-5) to request an alternate method of determining gas volumes with a valid justification. Alternate methods are listed in NTL-4A. The Authorized Officer may require the installation of additional measurement equipment whenever it is determined that the present methods are inadequate to meet the purposes of this Notice.
6. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
7. This approval does not authorize any additional surface disturbance.
8. Subject to like approval from NMOCD

Regulations and Definitions

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.

NTL-4A.IV.B. Oil Well Gas. Except as provided in II.C and III above, oil well gas may not be vented or flared unless approved in writing by the Supervisor. The Supervisor may approve an application for the venting or flaring of oil well gas if justified either by the submittal of **(1)** an evaluation report supported by engineering, geologic, and economic data which demonstrates to the satisfaction of the Supervisor that the expenditures necessary to market or beneficially use such gas are not economically justified and that conservation of the gas, if required, would lead to the premature abandonment of recoverable oil reserves and ultimately to a greater loss of equivalent energy than would be recovered if the venting or flaring were permitted to continue or **(2)** an action plan that will eliminate venting or flaring of the gas within 1 year from the date of application.

*Temporary Emergency Flaring is defined as an unexpected situation requiring immediate action. A flaring event is considered an emergency if the occurrence is out of the operators control and the operator had less than 24 hrs notification of the event. Scheduled or routine flare events will not be considered an emergency.