Form 3160-5
(June 2015)

HOBBS OCD
APR 10 2017
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

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

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMNM19623

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
VACA 24 FED COM 6H

2. Name of Operator
EOG RESOURCES INCORPORATED

Contact: LORI J NUGENT
E-Mail: Lori_Nugent@eogresources.com

9. API Well No.
30-025-40537-00-S1

3a. Address
MIDLAND, TX 79702

3b. Phone No. (include area code)
Ph: 432-686-3670

10. Field and Pool or Exploratory Area
RED HILLS

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 24 T25S R33E SESE 50FSL 1310FEL

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Venting and/or Flaring
	☐ 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.

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 royalty free flare dispositions under NTL-4A. See COAs

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 #371708 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 (17JAS0217SE)

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 _____ Date

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. Office

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 *MULTIPLE - SEE ATTACHED EXHIBIT B*
LEASE *NMNM19623*

EQUIPMENT NAME
VACA FC 24 6/7H FLARE 60387021
To the best of my knowledge, the Flare meter is located on lease and is one of two flare meters on this lease.

WELLS		VOLUME			REASON	GAS SALES
VACA 24 FC 6H	1/2014	929	Flare 3 days	31 hrs	Unavoidable Loss / New well IP 1/29/2014	4,274
	2/2014	102	Flare 2 days	1.7 hrs	Unavoidable Loss	51,549
	5/2014	1,706	Flare 4 days	47.5 hrs	Unavoidable Loss / Regency shut in	26,265
	7/2014	1,239	Flare 2 days	19.5 hrs	Unavoidable Loss	13,195
	8/2014	5,887	Flare 17 days	146 hrs	Unavoidable Loss / Regency shut in	71,039
	9/2014	2,914	Flare 8 days	89.5 hrs	Unavoidable Loss / Regency shut in	69,353
	10/2014	391	Flare 3 days	17.5 hrs	Unavoidable Loss	58,500
	11/2014	1,591	Flare 4 days	24.5 hrs	Unavoidable Loss / Regency shut in	56,284
	1/2015	1,322	Flare 4 days	41.4 hrs	Unavoidable Loss / Regency shut in	45,804
	2/2015	8,859	Flare 9 days	115.5 hrs	Unavoidable Loss / Regency shut in	29,277
	3/2015	6,595	Flare 13 days	106.8 hrs	Unavoidable Loss	29,206
	4/2015	4,395	Flare 6 days	59 hrs	Unavoidable Loss	28,569
	5/2015	6,450	Flare 20 days	213.2 hrs	Unavoidable Loss	10,202
	6/2015	1,398	Flare 8 days	39 hrs	Unavoidable Loss	29,316
	7/2015	13,366	Flare 11 days	243.7 hrs	Unavoidable Loss / Regency shut in	11,511
	8/2015	4,771	Flare 5 days	94.6 hrs	Unavoidable Loss	25,283
	9/2015	234	Flare 2 days	10 hrs	Unavoidable Loss	19,633
	10/2015	1,228	Flare 3 days	42.4 hrs	Unavoidable Loss	15,952
	11/2015	8,370	Flare 12 days	82.2 hrs	Unavoidable Loss	14,820
	12/2015	6,606	Flare 17 days	194.2 hrs	Unavoidable Loss / Regency shut in	16,373
	1/2016	6,479	Flare 11 days	159.6 hrs	Unavoidable Loss / high line pressure	19,010
	2/2016	12	Flare 3 days	1.1 hrs	Unavoidable Loss / compressor issues	34,889
	3/2016	228	Flare 2 days	6 hrs	Unavoidable Loss	33,235
	5/2016	4	Flare 3 days	10.7 hrs	Unavoidable Loss	41,081

EQUIPMENT NAME
RHNU HALLWOOD 201 60387011 FLARE
To the best of my knowledge, the Flare meter is located on lease and is one of two flare meters on this lease.

WELLS						
RHNU 301	8/2013	271	271 Flare 26 days	456.4 hrs	Unavoidable Loss / SUG High Line pressure	369
	9/2013	196	196 Flare 30 days	703.4 hrs	Unavoidable Loss / SUG High Line pressure	140
	10/2013	417	417 Flare 29 days	459.3 hrs	Unavoidable Loss / SUG High Line pressure	650
	11/2013	26	26 Flare 6 days	35.3 hrs	Unavoidable Loss / SUG High Line pressure	834
	12/2013	19	19 Flare 5 days	21.9 hrs	Unavoidable Loss / SUG High Line pressure	874
	2/2014	16	16 Flare 9 days	28.2 hrs	Unavoidable Loss	688
	5/2014	25	25 Flare 4 days	28.7 hrs	Unavoidable Loss	691
	6/2014	27	27 Flare 15 days	51.8 hrs	Unavoidable Loss	506
	7/2014	33	33 Flare 11 days	65.5 hrs	Unavoidable Loss	363
	8/2014	132	132 Flare 26 days	284 hrs	Unavoidable Loss	147
	9/2014	254	254 Flare 28 days	483.5 hrs	Unavoidable Loss	189
	10/2014	105	105 Flare 22 days	186.2 hrs	Unavoidable Loss / High Line pressure	305
	11/2014	234	234 Flare 22 days	353.8 hrs	Unavoidable Loss	193
	12/2014	190	190 Flare 24 days	354.8 hrs	Unavoidable Loss	338
	1/2015	102	102 Flare 16 days	184.2 hrs	Unavoidable Loss	439
	2/2015	214	214 Flare 27 days	403.6 hrs	Unavoidable Loss / High Line pressure / Regency shut in	232
	3/2015	278	278 Flare 31 days	491.4 hrs	Unavoidable Loss / High Line pressure / Regency shut in	254
	4/2015	256	256 Flare 29 days	457.8 hrs	Unavoidable Loss / High Line pressure / Regency shut in	384
	5/2015	174	174 Flare 26 days	392.4 hrs	Unavoidable Loss / High Line pressure	312
	6/2015	25	25 Flare 16 days	259.7 hrs	Unavoidable Loss / High Line pressure / Regency shut in	44
	7/2015	506	506 Flare 31 days	580.4 hrs	Unavoidable Loss / High Line pressure	226
	8/2015	315	315 Flare 27 days	391.3 hrs	Unavoidable Loss / High Line pressure	275
	9/2015	171	171 Flare 18 days	193.5 hrs	Unavoidable Loss / High Line pressure	796
	10/2015	97	97 Flare 11 days	87 hrs	Unavoidable Loss / High Line pressure	1,515
	11/2015	74	74 Flare 10 days	42.7 hrs	Unavoidable Loss / High Line pressure	1,859
	12/2015	525	525 Flare 20 days	306 hrs	Unavoidable Loss / High Line pressure / Regency shut in	965
	1/2016	635	635 Flare 21 days	296.2 hrs	Unavoidable Loss / High Line pressure	1,274
	2/2016	5	5 Flare 9 days	9.3 hrs	Unavoidable Loss	1,574
	3/2016	3	3 Flare 9 days	16.4 hrs	Unavoidable Loss	307
	4/2016	348	348 Flare 20 days	317.7 hrs	Unavoidable Loss / High Line pressure	659
	5/2016	10	10 Flare 12 days	36.9 hrs	Unavoidable Loss / High Line pressure	333
RHNU 303	8/2013	346	346 Flare 26 days	456.4 hrs	Unavoidable Loss / SUG High Line pressure	471
	9/2013	406	406 Flare 30 days	703.4 hrs	Unavoidable Loss / SUG High Line pressure	291
	10/2013	295	295 Flare 29 days	459.3 hrs	Unavoidable Loss / SUG High Line pressure	459
	11/2013	14	14 Flare 6 days	35.3 hrs	Unavoidable Loss / SUG High Line pressure	448
	12/2013	9	9 Flare 5 days	21.9 hrs	Unavoidable Loss / SUG High Line pressure	422
	2/2014	9	9 Flare 9 days	28.2 hrs	Unavoidable Loss	413

	5/2014	16	16	Flare 4 days	28.7 hrs	Unavoidable Loss	450
	6/2014	19	19	Flare 15 days	51.8 hrs	Unavoidable Loss	352
	7/2014	21	21	Flare 11 days	65.5 hrs	Unavoidable Loss	227
	8/2014	82	82	Flare 26 days	284 hrs	Unavoidable Loss	92
	9/2014	159	159	Flare 28 days	483.5 hrs	Unavoidable Loss	118
	10/2014	64	64	Flare 22 days	186.2 hrs	Unavoidable Loss / High Line pressure	187
	11/2014	146	146	Flare 22 days	353.8 hrs	Unavoidable Loss	121
	12/2014	121	121	Flare 24 days	354.8 hrs	Unavoidable Loss	215
	1/2015	65	65	Flare 16 days	184.2 hrs	Unavoidable Loss	283
	2/2015	133	133	Flare 27 days	403.6 hrs	Unavoidable Loss / High Line pressure / Regency shut in	145
	3/2015	217	217	Flare 31 days	491.4 hrs	Unavoidable Loss / High Line pressure / Regency shut in	199
	4/2015	450	450	Flare 29 days	457.8 hrs	Unavoidable Loss / High Line pressure / Regency shut in	677
	5/2015	465	465	Flare 26 days	392.4 hrs	Unavoidable Loss / High Line pressure	832
	6/2015	446	446	Flare 16 days	259.7 hrs	Unavoidable Loss / High Line pressure / Regency shut in	767
	7/2015	856	856	Flare 31 days	580.4 hrs	Unavoidable Loss / High Line pressure	382
	8/2015	627	547	Flare 27 days	391.3 hrs	Unavoidable Loss / High Line pressure	547
	9/2015	182	182	Flare 18 days	193.5 hrs	Unavoidable Loss / High Line pressure	849
	10/2015	67	67	Flare 11 days	87 hrs	Unavoidable Loss / High Line pressure	1,050
	11/2015	34	34	Flare 10 days	42.7 hrs	Unavoidable Loss / High Line pressure	864
	12/2015	510	510	Flare 20 days	306 hrs	Unavoidable Loss / High Line pressure / Regency shut in	938
	1/2016	563	563	Flare 21 days	296.2 hrs	Unavoidable Loss / High Line pressure	1,130
	2/2016	4	4	Flare 9 days	9.3 hrs	Unavoidable Loss	1,049
	3/2016	2	2	Flare 9 days	16.4 hrs	Unavoidable Loss	186
	4/2016	281	281	Flare 20 days	317.7 hrs	Unavoidable Loss / High Line pressure	532
	5/2016	71	71	Flare 12 days	36.9 hrs	Unavoidable Loss / High Line pressure	2,414
RHNU 304	8/2013	322	322	Flare 26 days	456.4 hrs	Unavoidable Loss / SUG High Line pressure	439
	9/2013	1,573	1,573	Flare 30 days	703.4 hrs	Unavoidable Loss / SUG High Line pressure	1,125
	10/2013	1,080	1,080	Flare 29 days	459.3 hrs	Unavoidable Loss / SUG High Line pressure	1,683
	11/2013	52	52	Flare 6 days	35.3 hrs	Unavoidable Loss / SUG High Line pressure	1,690
	12/2013	36	36	Flare 5 days	21.9 hrs	Unavoidable Loss / SUG High Line pressure	1,680
	2/2014	32	32	Flare 9 days	28.2 hrs	Unavoidable Loss	1,406
	3/2014	1	1	Flare 2 days	1 hr	Unavoidable Loss	1,316
	5/2014	50	50	Flare 4 days	28.7 hrs	Unavoidable Loss	1,390
	6/2014	74	74	Flare 15 days	51.8 hrs	Unavoidable Loss	1,366
	7/2014	93	93	Flare 11 days	65.5 hrs	Unavoidable Loss	1,020
	8/2014	370	370	Flare 26 days	284 hrs	Unavoidable Loss	413
	9/2014	714	714	Flare 28 days	483.5 hrs	Unavoidable Loss	531
	10/2014	295	295	Flare 22 days	186.2 hrs	Unavoidable Loss / High Line pressure	859
	11/2014	657	657	Flare 22 days	353.8 hrs	Unavoidable Loss	544
	12/2014	534	534	Flare 24 days	354.8 hrs	Unavoidable Loss	950
	1/2015	326	326	Flare 16 days	184.2 hrs	Unavoidable Loss	1,409
	2/2015	734	734	Flare 27 days	403.6 hrs	Unavoidable Loss / High Line pressure / Regency shut in	796
	3/2015	886	886	Flare 31 days	491.4 hrs	Unavoidable Loss / High Line pressure / Regency shut in	811
	4/2015	599	599	Flare 29 days	457.8 hrs	Unavoidable Loss / High Line pressure / Regency shut in	901
	5/2015	522	522	Flare 26 days	392.4 hrs	Unavoidable Loss / High Line pressure	934
	6/2015	406	406	Flare 16 days	259.7 hrs	Unavoidable Loss / High Line pressure / Regency shut in	698
	7/2015	830	830	Flare 31 days	580.4 hrs	Unavoidable Loss / High Line pressure	371
	8/2015	593	593	Flare 27 days	391.3 hrs	Unavoidable Loss / High Line pressure	518
	9/2015	202	202	Flare 18 days	193.5 hrs	Unavoidable Loss / High Line pressure	942
	10/2015	107	107	Flare 11 days	87 hrs	Unavoidable Loss / High Line pressure	1,679
	11/2015	63	63	Flare 10 days	42.7 hrs	Unavoidable Loss / High Line pressure	1,586
	3/2016	2	2	Flare 9 days	16.4 hrs	Unavoidable Loss	235
	4/2016	440	440	Flare 20 days	317.7 hrs	Unavoidable Loss / High Line pressure	832
	5/2016	39	39	Flare 12 days	36.9 hrs	Unavoidable Loss / High Line pressure	1,311
RHNU 305	8/2013	425	425	Flare 26 days	456.4 hrs	Unavoidable Loss / SUG High Line pressure	578
	9/2013	936	936	Flare 30 days	703.4 hrs	Unavoidable Loss / SUG High Line pressure	670
	10/2013	675	675	Flare 29 days	459.3 hrs	Unavoidable Loss / SUG High Line pressure	1,052
	11/2013	34	34	Flare 6 days	35.3 hrs	Unavoidable Loss / SUG High Line pressure	1,090
	12/2013	23	23	Flare 5 days	21.9 hrs	Unavoidable Loss / SUG High Line pressure	1,085
	2/2014	22	22	Flare 9 days	28.2 hrs	Unavoidable Loss	968
	3/2014	1	1	Flare 2 days	1 hr	Unavoidable Loss	943
	5/2014	31	31	Flare 4 days	28.7 hrs	Unavoidable Loss	862
	6/2014	34	34	Flare 15 days	51.8 hrs	Unavoidable Loss	628
	7/2014	42	42	Flare 11 days	65.5 hrs	Unavoidable Loss	453
	8/2014	164	164	Flare 26 days	284 hrs	Unavoidable Loss	184
	9/2014	317	317	Flare 28 days	483.5 hrs	Unavoidable Loss	236
	10/2014	131	131	Flare 22 days	186.2 hrs	Unavoidable Loss / High Line pressure	382
	11/2014	292	292	Flare 22 days	353.8 hrs	Unavoidable Loss	242
	12/2014	225	225	Flare 24 days	354.8 hrs	Unavoidable Loss	401
	1/2015	135	135	Flare 16 days	184.2 hrs	Unavoidable Loss	585
	2/2015	476	476	Flare 27 days	403.6 hrs	Unavoidable Loss / High Line pressure / Regency shut in	517
	3/2015	596	596	Flare 31 days	491.4 hrs	Unavoidable Loss / High Line pressure / Regency shut in	546
	4/2015	450	450	Flare 29 days	457.8 hrs	Unavoidable Loss / High Line pressure / Regency shut in	677
	5/2015	465	465	Flare 26 days	392.4 hrs	Unavoidable Loss / High Line pressure	832
	6/2015	444	444	Flare 16 days	259.7 hrs	Unavoidable Loss / High Line pressure / Regency shut in	764

7/2015	870	870	Flare 31 days	580.4 hrs	Unavoidable Loss / High Line pressure	388
8/2015	678	678	Flare 27 days	391.3 hrs	Unavoidable Loss / High Line pressure	592
9/2015	197	197	Flare 18 days	193.5 hrs	Unavoidable Loss / High Line pressure	918
10/2015	61	61	Flare 11 days	87 hrs	Unavoidable Loss / High Line pressure	955
11/2015	61	61	Flare 10 days	42.7 hrs	Unavoidable Loss / High Line pressure	1,538
12/2015	495	495	Flare 20 days	306 hrs	Unavoidable Loss / High Line pressure / Regency shut in	909
1/2016	211	211	Flare 21 days	296.2 hrs	Unavoidable Loss / High Line pressure	424
2/2016	1	1	Flare 9 days	9.3 hrs	Unavoidable Loss	148
3/2016	13	13	Flare 9 days	16.4 hrs	Unavoidable Loss	1,227
4/2016	551	551	Flare 20 days	317.7 hrs	Unavoidable Loss / High Line pressure	1,041

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

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location	Type	Field/Pool	County	State
	NMNM19623	VACA 24 FC 6H	30-025-40537-00-S1	SEC 24 T25S R33E SESE 50 FSL 1310 FEL	OIL	RED HILLS	LEA	NM
NMNM104037X	NMNM19623	RHNU 301	30-025-28288-00-S4	SEC 13 T25S R33E NENW 660 FNL 1880 FWL	OIL	RED HILLS	LEA	NM
NMNM104037X	NMNM19623	RHNU 303	30-025-32183-00-S1	SEC 13 T25S R33E NENE 660 FNL 660 FEL	OIL	RED HILLS	LEA	NM
NMNM104037X	NMNM19623	RHNU 304	30-025-32130-00-S1	SEC 13 T25S R33E NWNW 660 FNL 660 FWL	OIL	RED HILLS	LEA	NM
NMNM104037X	NMNM19623	RHNU 305	30-025-35063-00-S1	SEC 13 T25S R33E SENW 1980 FNL 1980 FWL	OIL	RED HILLS	LEA	NM
NMNM104037X	NMNM19623	RHNU 306	30-025-35751-00-S1	SEC 13 T25S R33E NESE 2080 FSL 990 FEL	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.