Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



FORM APPROVED OMB NO. 1004-0137

Expires: January 31, 2018 5. Lease Serial No.

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.

NMNM02887A							
6.	If Indian, Allottee or Tribe Name						

SUBMIT IN 1	7. If Unit or CA/Agreement, Name and/or No. 891000558D							
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Oth	8. Well Name and No. JAMES RANCH UNIT 7							
Name of Operator BOPCO LP	Contact: E-Mail: tjcherry@b	HERRY		9. API Well No. 30-015-21247-00-S1				
3a. Address P O BOX 2760 MIDLAND, TX 79702	3b. Phone No Ph: 432-68	. (include area code) 3-2277		10. Field and Pool of Exploratory Area LOS MEDANOS				
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description			11. County or Parish,	State			
Sec 6 T23S R31E SWNE 198				EDDY COUNTY, NM				
12. CHECK THE AP	PROPRIATE BOX(ES)	TO INDICA	TE NATURE OI	NOTICE	, REPORT, OR OTH	IER DATA		
TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION							
☑ Notice of Intent	☐ Acidize	☐ Dec	pen	☐ Produc	tion (Start/Resume)	■ Water Shut-Off		
	☐ Alter Casing	☐ Hyd	raulic Fracturing	□ Reclan	nation	■ Well Integrity		
☐ Subsequent Report	Casing Repair	□ Nev	Construction	☐ Recom	plete	Other Venting and/or Flari		
☐ Final Abandonment Notice	Change Plans	Plug	g and Abandon	☐ Tempo	rarily Abandon	ng		
	Convert to Injection	Plug	g Back	□ Water	Disposal			
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. BOPCO, LP respectfully submits this sundry for Notice of Intent to intermittently flare for 90-days, April - June 2017.								
Wells associated at the JRU 7 JAMES RANCH UNIT 007* / 3 JAMES RANCH UNIT 030B / JAMES RANCH 030W / 30-01 JAMES RANCH 065B / 30-01 JAMES RANCH 065W / 30-01 JAMES RANCH UNIT 065D / JAMES RANCH UNIT 079B / 3 JAMES RANCH UNIT 079 / 30	80-015-21247-00-C1 30-015-27704-00-C2 5-27704-00-C1 5-27995-00-C2 5-27995-00-C1 30-015-27995-00-C3 30-015-31056-00-C2	SEE A	TTAC	AUG (AUG (AUG (AUG (AUG (AUG (AUG (AUG (811			
14. I hereby certify that the foregoing is	true and correct. Electronic Submission #	369659 verifie	d by the BLM Well	Informatio	on System	711		
Com	7 (17PP0479SE)	/ / //						
Name (Printed/Typed) TRACIE J		TORY AL	. 1					
Signature (Electronic S	Submission)		Date 03/13/20		APPROVE	DX		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE								
Approved By Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conductive the applicant to	d. Approval of this notice does	not warrant or	Title Office		EAU OF LAND MANA CARLSBAD HELD OF	A PARTITION OF THE PART		
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a statements or representations as	crime for any pe to any matter w	erson knowingly and ithin its jurisdiction.	illfully ton	nake to any department or	agency of the United		

Additional data for EC transaction #369659 that would not fit on the form

32. Additional remarks, continued

JAMES RANCH UNIT 079D / 30-015-31056-00-C3 JAMES RANCH UNIT 114H / 30-015-37925-00-S1 JAMES RANCH UNIT 115H / 30-015-38118-00-S1

Estimated amount to flare is 100 MCFD, depending on pipeline conditions. Flaring will be intermittent and is necessary due to restricted pipeline capacity.

Gas is commingled at the flare to reduce the number flare stacks that would be needed for individual well locations.

Gas volumes will be metered prior to flaring, allocated back to each well and reported on monthly production reports

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

Pursuant to, 43 CFR 3179

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. 43 CFR 3179.105 Emergencies (a) An operator may flare or, if flaring is not feasible given the emergency, vent gas royalty-free under §3179.4 (a) (vi) of this subpart during an emergency. For purposes of this subpart, an "emergency" is a temporary, infrequent and unavoidable situation in which the loss of gas or oil is uncontrollable or necessary to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment. For purposes of royalty assessment, an "emergency" is limited to a short-term situation of 24 hours or less (unless the BLM agrees that the emergency conditions necessitating venting or flaring extend for a longer period) caused by an unanticipated event or failure that is out of the operator's control and was not due to operator negligence.
- B. 43 CFR 3179.4 Determining when the loss of oil or gas is avoidable or unavoidable.
- (2) Avoidably lost oil or gas means: Lost oil or gas that is not "unavoidably lost," as defined in paragraph (a) of this section; waste oil that became waste oil through operator negligence; and, any "excess flared gas," as defined in §3179.7.
- C. 43 CFR 3179.5 When lost production is subject to royalty.
 - (a) Royalty is due on all avoidably lost oil or gas.
 - (b) Royalty is not due on any unavoidably lost oil or gas.

Condition of Approval to Flare Gas

- 1. The first 24 hours of a <u>temporary emergency flare</u> 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). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- Flared volumes considered to be "avoidably lost":
 These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5).
 Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
 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 43 CFR 3179.4, 3179.103 3179.105. 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, shall be in accordance with 43 CFR 3179.4, 43 CFR 3179.5, 43 CFR 3179.9 and 43 CFR 3179.10
- 6. The operator must estimate or measure all volumes of gas vented or flared gas by one of the following methods.
 - i. Measure the flare gas by a meter. The meter shall meet all requirements for a sales meter as per Federal Regulations, 43 CFR 3175 (due to volume of gas being flared). Include meter serial number on Sundry Notice (Form 3160-5).
 - ii. Calculate the volume of the flared gas based on the results of a regularly performed GOR test and measured values for the volumes of oil production and gas sales, so as to allow BLM to independently verify the volume, rate, and heating value of the gas flared.

Regulation Ref: Link to 43 CFR 3179 **Waste Prevention and Resources Conservation**; https://www.ecfr.gov/cgi-

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