	UNITED STATES EPARTMENT OF THE D BUREAU OF LAND MANA	NTERIOR	NMO	CD	OMB N	APPROVED O. 1004-0137 anuary 31, 2018
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an Artesia abandoned well. Use form 3160-3 (APD) for such proposals.				NMLC028731B		
abandoned w	ell. Use form 3160-3 (API	D) for such pr	oposals.		6. If Indian, Allottee of	or Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on page 2				 If Unit or CA/Agreement, Name and/or No. NMNM111789X 		
1. Type of Well ☑ Oil Well □ Gas Well □ Other					8. Well Name and No. DODD FEDERAL UNIT 625	
2. Name of Operator COG OPERATING LLC	DANA KING hcho.com			9. API Well No. 30-015-39282		
			No. (include area code) -818-2267		10. Field and Pool or Exploratory Area DODD-GLORIETA-UPPER YESO	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish,	State
Sec 14 T17S R29E Mer NMP 1930FSL 1892FEL					EDDY COUNTY	Y, NM
12. CHECK THE A	APPROPRIATE BOX(ES)	TO INDICAT	E NATURE O	FNOTICE	, REPORT, OR OTH	IER DATA
TYPE OF SUBMISSION			TYPE OF	ACTION		
Notice of Intent	 Acidize Alter Casing 	Deepo	en ulic Fracturing	□ Produc □ Reclan	tion (Start/Resume)	□ Water Shut-Off □ Well Integrity
Subsequent Report	Casing Repair		Construction	Recom		Other
Final Abandonment Notice	Change Plans			-	rarily Abandon Venting and/or Fland	
	Convert to Injection	🗖 Plug I	Back	🗋 Water	Disposal	U
If the proposal is to deepen direction Attach the Bond under which the w following completion of the involv testing has been completed. Final a determined that the site is ready for COG OPERATING LLC RES NUMBER OF WELLS TO FI	ork will be performed or provide ed operations. If the operation re Abandonment Notices must be fil final inspection. SPECTFULLY REQUESTS	the Bond No. on t sults in a multiple ed only after all re	file with BLM/BIA completion or reco quirements, includ	. Required sumpletion in a ing reclamation	ubsequent reports must be new interval, a Form 316 on, have been completed a 4A BATTERY.	filed within 30 days 0-4 must be filed once and the operator has
DODD FEDERAL UNIT #68	. ,				NMC	ARTESIA DISTRICT
DODD FEDERAL UNIT #61 DODD FEDERAL UNIT #62 DODD FEDERAL UNIT #63 DODD FEDERAL UNIT #62 DODD FEDERAL UNIT #62 DODD FEDERAL UNIT #64 DODD FEDERAL UNIT #63	6 30-015-39868-00- 4 30-015-40457-00- 8 30-015-40002-00-S01- 5 30-015-39282-00- 7 30-015-39319-00- 0 30-015-39912-00- 7 30-015-41586-00-				HED FOR	AUG 09 2011
14. I hereby certify that the foregoing	is true and correct. Electronic Submission # For COG C	380524 verified	by the BLM Wel	Informatio	n System	\]//
	For COG C Committed to AFMSS for	processing by [EBORAH MCKI	NNEY on 0	(11/2017 <u>(</u>)	X //
Name (Printed/Typed) DANA K	ING		Title SUBMI	TING CO		the la
Signature (Electronic	e Submission)	طمحصحص	Date 07/03/20	┉┉┉	APPRO	VED
	THIS SPACE FO	OR FEDERAL	OR STATE	OFFICE L		bo17
Approved By			Title		Vand	Rand
Conditions of approval, if any, are attacl ertify that the applicant holds legal or e which would entitle the applicant to con	quitable title to those rights in the		Office	4	BOREAU OF LAND M CARLSBAD FIELI	ANAGSMENT / /
itle 18 U.S.C. Section 1001 and Title 4 States any false, fictitious or frauduler				willfully to n	nake to any department or	agency of the United

(Instructions	on	nage	2)

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²⁾ ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

32. Additional remarks, continued

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DODD FEDERAL UNIT #668 30-015-40004-00-DODD FEDERAL UNIT #921H 30-015-42995-00-DODD FEDERAL UNIT #598 30-015-40700-00-DODD FEDERAL UNIT #628 30-015-39911-00-DODD FEDERAL UNIT #628 30-015-39911-00-DODD FEDERAL UNIT #639 30-015-40458-00-

FROM 7/03/2017 TO 10/01/2017 BBLS OIL/DAY: 450 MCF/DAY: 1250 REASON: UNPLANNED MIDSTREAM CURTAILMENT PLANT/COMPRESSOR PROBLEMS (HIGH LINE PRESSURE)

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 <u>without incurring a</u> 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".
- 2. 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). <u>Include method for volume determination and duration. Report</u> <u>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.</u>
- 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; <u>https://www.ecfr.gov/cgi-</u>

bin/retrieveECFR?gp=1&SID=dbd49eda8cdc488870172ed096d47be9&ty=HTML&h=L&mc=true &n=sp43.2.3170.3179&r=SUBPART