Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD

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

Expires: January 31, 20
5. Lease Serial No.
NMLC028784B

			NMOC
HMDRY NO	TICES AND	REPORTS ON WELLS	1111100

Bo not use this form for proposals to drill or to re-enter an Ambandoned well. Use form 3160-3 (APD) for such proposals.

6 If Indian Allottee or Tribe Name

abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreet NMNM88525X	ment, Name and or No.
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Oth	ner	•			8. Well Name and No. BURCH KEELY U	NIT 914
2. Name of Operator COG OPERATING LLC	Contact: E-Mail: dking@co	DANA KING ncho.com			9. API Well No. 30-015-40300	w. **
3a. Address ONE CONCHO CENTER, 600 MIDLAND, TX 79701) W ILLINOIS AVE	3b. Phone No Ph: 432-81	o. (include area code) 8-2267		10. Field and Pool or Exploratory Area GRYBRG JACKSON;SR-Q-G-SA	
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description	n)			11. County or Parish, S	tate
Sec 19 T17S R30E Mer NMP NENW 995FNL 2289FWL					EDDY COUNTY	, NM
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE	, REPORT, OR OTH	ER DATA
TYPE OF SUBMISSION			TYPE OF	ACTION		
Notice of Intent	☐ Acidize	☐ Dee	pen	☐ Produc	tion (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	□ Нус	Iraulic Fracturing	□ Reclan	nation	■ Well Integrity
☐ Subsequent Report	Casing Repair	□ Nev	v Construction	□ Recom	plete	⊘ Other
☐ Final Abandonment Notice	☐ Change Plans	🗖 Plu	g and Abandon	□ Tempo	rarily Abandon	Venting and/or Flari ng
	☐ Convert to Injection	Plug	g Back	☐ Water	Disposal	
Attach the Bond under which the wo following completion of the involved testing has been completed. Final Addetermined that the site is ready for f COG OPERATING LLC RESI 19, T 17S, R30E. NUMBER OF WELLS TO FLA PLEASE SEE ATTACHED W FROM 4/02/2018 TO 7/01/20 BBLS OIL/DAY: 60	operations. If the operation resonandomment Notices must be fit in all inspection. PECTFULLY REQUEST ARE: (60) ELL LIST	esults in a multipled only after all TO FLARE A ARTESIA DI MAR 28	THE BURCH K	EELY UNITED ATT	new interval, a Form 3160 on, have been completed and a SATELLITE B BATT RECORDS ON TACHED FOR IONS OF API	1-4 must be filed once and the operator has
Name (Printed/Typed) DANA KIN	Electronic Submission # For COG (Committed to AFMSS for	OPERATING L	C, sent to the Ca JENNIFER SAN	arisbad	(19/2018 ()	
					/ <i>X</i> /	//_ /
Signature (Electronic S			Date 03/19/2		APPROVA) <i>-//</i> - -/
	THIS SPACE F	OR FEDERA	AL OR STATE	OFFICE L	ISE // // //	7/ /
Approved By Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conditions.	uitable title to those rights in th act operations thereon.	e subject lease	Title Office		2 0 2018 2 0 0 0 18	Date
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations a	a crime for any p s to any matter w	erson knowingly and rithin its jurisdiction.	willfully to m	both to any department of a	ngency of the United
(Instructions on page 2) ** OPERA*	FOR-SUBMITTED ** C	PERATOR-	SUBMITTED *	* OPERA	TOR-SUBMITTED	·// //

Additional data for EC transaction #408419 that would not fit on the form

32. Additional remarks, continued

MCF/DAY: 680

REASON: UNPLANNED MIDSTREAM CURTAILMENT PLANT MAINTENANCE AND HLP

BURCH KEELY UNIT SATELLITE B BATTERY

BURCH REELY	UNII SAIELLIIE	BBALLERY	
	Well Number	API Number	
BURCH-KEELY UNIT	25/	30-015-23168	
BURCH-KEELY UNIT	27	30-015-04189	
BURCH-KEELY UNIT	28	30-015-04188	
BURCH-KEELY UNIT	29	30-015-04190	
BURCH-KEELY UNIT	47/	30-015-03082	
BURCH-KEELY UNIT	48	30-015-24977	
BURCH-KEELY UNIT	49	30-015-21265	
BURCH-KEELY UNIT	50	30-015-03078	
BURCH-KEELY UNIT	52	30-015-04201	
BURCH-KEELY UNIT	53	30-015-22091	
BURCH-KEELY UNIT	54	30-015-04199	
BURCH-KEELY UNIT	55	30-015-21657	
BURCH-KEELY UNIT	58	30-015-04192	
BURCH-KEELY UNIT	61	30-015-05911	
BURCH-KEELY UNIT	62	30-015-03081	
BURCH-KEELY UNIT	225 <	30-015-27645	
BURCH-KEELY UNIT	234	30-015-27652	
BURCH-KEELY UNIT	238	30-015-28331	
BURCH-KEELY UNIT	239	30-015-28018	
BURCH-KEELY UNIT	242	30-015-27646	
BURCH-KEELY UNIT	244	30-015-28089	
BURCH-KEELY UNIT	262/	30-015-28333	
BURCH-KEELY UNIT	269	30-015-29510	
BURCH-KEELY UNIT	270	30-015-29529	
BURCH-KEELY UNIT	274	30-015-29811	
BURCH-KEELY UNIT	282	30-015-29722	
BURCH-KEELY UNIT	321	30-015-32098	
BURCH-KEELY UNIT	322	30-015-32108	
BURCH-KEELY UNIT	327	30-015-32430	
BURCH-KEELY UNIT	328	30-015-32425	
BURCH-KEELY UNIT	334′ '	30-015-32702	
BURCH-KEELY UNIT	335	30-015-32701	
BURCH-KEELY UNIT	355	30-015-32789	
BURCH-KEELY UNIT	357 🧖	30-015-32915	
BURCH-KEELY UNIT	358	30-015-32916	
BURCH-KEELY UNIT	359	30-015-32969	
BURCH-KEELY UNIT	360	30-015-32970	
BURCH-KEELY UNIT	361	30-015-32991	100 - 1111.0
BURCH KEELY UNIT	362.0	30 015 32971 -	ABD1/4/18
BURCH-KEELY UNIT	379~	30-015-33816	1/1/10
BURCH-KEELY UNIT	382	30-015-33811	
BURCH-KEELY UNIT	384	30-015-33813	
BURCH-KEELY UNIT	3871	30-015-33812	
BURCH-KEELY UNIT	388	30-015-33815	
BURCH-KEELY UNIT	396	30-015-33810	
BURCH-KEELY UNIT	401 🖊	30-015-35432	
BURCH-KEELY UNIT	402 🖊	30-015-35440	
BURCH-KEELY UNIT	403	30-015-35441	
BURCH-KEELY UNIT	404~	30-015-35434	
BURCH-KEELY UNIT	405	30-015-35439	
BURCH-KEELY UNIT	418 🗸	30-015-36183	

BURCH KEELY UNIT SATELLITE B BATTERY

	Well Number	API Number	
BURCH-KEELY UNIT	583	30-015-39540	
BURCH-KEELY UNIT	585	30-015-40274	
BURCH-KEELY UNIT	586	30-015-39908	,
BURCH-KEELY UNIT	643	30-015-39570	
BURCH-KEELY UNIT	644	30-015-39571	
BURCH-KEELY UNIT	654 🖊	30-015-40280	
BURCH-KEELY UNIT	656	30-015-40005	
BURCH-KEELY UNIT	657	30-015-39567	
BURCH-KEELY UNIT	914 🖊	30-015-40300	

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</u>. <u>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.</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.
 - 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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If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements.