

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS** Carlsbad Field Office  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No. M042626  
6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

**JUN 13 2018**

7. If Unit or CA/Agreement, Name and/or No. 891005247F

8. Well Name and No. COTTON DRAW UNIT 154H ✓

9. API Well No. 30-015-88038-00-S1 3005-38962

10. Field and Pool or Exploratory Area COTTON DRAW

11. County or Parish, State EDDY COUNTY, NM

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator DEVON ENERGY PRODUCTION CO  
Contact: ERIN WORKMAN  
Email: Erin.workman@dvn.com

**RECEIVED**

3a. Address  
333 WEST SHERIDAN AVE  
OKLAHOMA CITY, OK 73102

3b. Phone No. (include area code)  
Ph: 405-552-7970

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 3 T25S R31E Lot 1 200FNL 660FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Venting and/or Flaring
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recompleat 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 recompleat 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.

Devon Energy Production Company, LP respectfully requests to flare the Cotton Draw Unit 154H. Intermittent flaring due to DCP booster going down. We are requesting 90 days to start March 2, 2015 through June 1, 2015. Amount to be flared is: 1500 MCFPD/2800 BOPD (total for the Cotton Draw Unit 167H Battery). Had to submit individual well per Jennifer Sanchez because battery is in Carlsbad and this well is in Hobbs.

Thank you!

**RECEIVED**  
6/11/18 AB  
**FOR RECORDS ONLY**  
**JUN 21 2018**

DISTRICT II-ARTESIA O.C.D.

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

Electronic Submission #308380 verified by the BLM Well Information System  
For DEVON ENERGY PRODUCTION CO LP, sent to the Hobbs  
Committed to AFMSS for processing by LINDA JIMENEZ on 08/19/2015 (15LJ1601SE)

Name (Printed/Typed) ERIN WORKMAN Title REGULATORY COMPLIANCE PROF.

Signature (Electronic Submission) Date 07/07/2015

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

/s/ Jonathon Shepard  
Approved By (BLM Approver Not Specified) Title Date 06/05/2018

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 Hobbs

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 \*\***

**Revisions to Operator-Submitted EC Data for Sundry Notice #308380**

	<b>Operator Submitted</b>	<b>BLM Revised (AFMSS)</b>
Sundry Type:	OTHER NOI	FLARE NOI
Lease:	NMNM891005247F	NMNM042626
Agreement:		891005247F (NMNM70928G)
Operator:	DEVON ENERGY PRODUCTION CO.,LP 333 WEST SHERIDAN AVE OKC, OK 73102 Ph: 405-552-7970	DEVON ENERGY PRODUCTION CO LP 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102 Ph: 405 235 3611
Admin Contact:	ERIN WORKMAN REGULATORY COMPLIANCE PROF. E-Mail: ERIN.WORKMAN@DVN.COM  Ph: 405-552-7970	ERIN WORKMAN REGULATORY COMPLIANCE PROF. E-Mail: Erin.workman@dvn.com  Ph: 405-552-7970
Tech Contact:	ERIN WORKMAN REGULATORY COMPLIANCE PROF. E-Mail: ERIN.WORKMAN@DVN.COM  Ph: 405-552-7970	ERIN WORKMAN REGULATORY COMPLIANCE PROF. E-Mail: Erin.workman@dvn.com  Ph: 405-552-7970
Location:		
State:	NM	NM
County:	LEA	EDDY
Field/Pool:	COTTON DRAW; DELAWARE, S	COTTON DRAW
Well/Facility:	COTTON DRAW UNIT 154H Sec 3 T25S R31E 200FNL 660FEL	COTTON DRAW UNIT 154H Sec 3 T25S R31E Lot 1 200FNL 660FEL

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