

Bureau of Land Management

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval Off-Lease Storage and Lease/CA/PA Commingling of Measurement and Sales of Oil and Gas Production

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
 - a. All well tests for allocation shall be performed per NMOCD requirements.
2. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the public's interest (surface and/or subsurface).
3. Submittal of a new surface commingling sundry is required if:
 - a. There are any changes to the allocation methodology
 - b. Proposed Communitization Agreements (CA) are not approved or are approved with changes to the original proposal
4. If new surface disturbance on BLM managed land is proposed, the operator shall submit appropriate surface use plan of operations and right-of-way grant applications to the Carlsbad Field Office for approval prior to any construction.
5. Off-lease measurement, storage, and sales from sources in this package are approved.
6. Allocation meters will meet the standards the operator proposed in the sundry.
7. Within 30 days of implementing the allocation methodology in this application, the operator shall submit a new site facility diagram via Sundry Notice which meets the requirements of **43 CFR 3173.11**. Include the effective date for the allocation methodology with the sundry notice.
 - a. In lieu of FMP numbers on the site facility diagram, include all meter serial numbers or assign unique meter ID numbers that are reflected and identifiable in the field. This is to include allocation meters.
8. This approval does not allow for a variance from 43 CFR 3170.4. This approval does not authorize bypasses around any approved measurement point, nor does it approve the use of headers capable of acting as a bypass.
9. This approval does not authorize royalty-free fuel usage at the compressor station downstream of the CTB's FMPs; it must be an additional request separate from this application:
 - a. Submit an additional Sundry Notice containing the information required under **43 CFR 3178.9**. Note: A variance to 43 CFR 3178.7(b)(2) may be granted as long as the fuel gas is being metered and is allocable back to the participating wells.