## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

NMOCD	FORM APPROVED OMB NO. 1004-0137
Hobbs Lea	se Serial No.

004-0137 ary 31, 2018

Lease Serial No.	
NMLC063645	

6. If Indian, Allottee or Tribe Name

abandoned wei	I. Use form 3160-3 (APL		AUG I	o. Il maini, i monec of	THOU THING			
SUBMIT IN 1	7 Unit or CA/Agreement, Name and/or No.							
Type of Well	er	16	CEN 30	8. Well Name and No. SCOOTER FED Co	OM 1H			
Name of Operator     COG OPERATING LLC	Contact: 6	CATHY SEELY ncho.com	ED	9. API Well No. 30-025-41737				
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210		3b. Phone No. (include area code Ph: 575-748-1549	2)	10. Field and Pool or Ex CORBIN	cploratory Area			
4. Location of Well (Footage, Sec., T.			11. County or Parish, S	tate				
Sec 23 T18S R33E NWNW 19	,	LEA COUNTY, NM						
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA								
TYPE OF SUBMISSION	,	TYPE C	F ACTION					
Notice of Intent	☐ Acidize	□ Deepen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off			
_	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclam	ation	■ Well Integrity			
☐ Subsequent Report	□ Casing Repair	■ New Construction	☐ Recomp	olete	☑ Other Venting and/or Flari			
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon		arily Abandon	ng			
	Convert to Injection	☐ Plug Back	□ Water I	Disposal	3			
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 recomplete 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 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.  COG OPERATING LLC RESPECTFULLY REQUEST TO FLARE AT THE SCOOTER FED COM 1H.  FROM 7/12/17 TO 10/10/17.  # OF WELLS TO FLARE: 1 SCOOTER FED COM 1H: 30-025-41737  BBLS OIL/DAY: 50 MCF/DAY: 70  REASON: HIGH LINE PRESSURE  14. I hereby certify that the foregoing is true and correct.								
Name (Printed/Typed) CATHY S	Electronic Submission #3 For COG Committed to AFMSS for p	880866 verified by the BLM Wo OPERATING LLC, sent to the processing by DEBORAH MCP Title ENGIN	Hobbs	11/2017-0				
Signature (Electronic S	Submission)	Date 07/10/	2017 A	PRUVIUS	ha			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE 2017								
Approved By  Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conductive the applicant to conduct the applicant the applicant to conduct the applicant the applicant to conduct the applicant the applican	uitable title to those rights in the act operations thereon.  U.S.C. Section 1212, make it a	subject lease Office crime for any person knowingly an		LSEAN FIELD OF FRANCE ARE to any department or a	gency of the United			
(Instructions on page 2)	COR CURWITTER ## O		** 005047	OD OUDWITTE				

## 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".
- 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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