Form 3160-5 (June 2015)	UNITED STATES		NMOCD		FORM APPROVED OMB NO. 1004-0137		
	DEPARTMENT OF THE I BUREAU OF LAND MANA		Hobbs		Expires: January 31, 2018		
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter at OBBS Of abandoned well. Use form 3160-3 (APD) for such proposals					5. Lease Serial No. NMNM19858		
Do not use abandoned w	this form for proposals to vell. Use form 3160-3 (AP	drill or to re-enter D) for such propos	an OB	R2 Or	6. If Indian, Allottee of	r Tribe Name	
SUBMIT II	N TRIPLICATE - Other ins	tructions on page			7. If Unit or CA/Agree		
1. Type of Well ☐ Gas Well ☐ Other				CEIVE	Well Name and No. HAWK 35 FED 3	4 <	
2. Name of Operator Contact: KRISTINA ST. ROMAIN EOG RESOURCES INC E-Mail: kristina_stromain@eogresources.com					 API Well No. 30-025-42406 	1	
3a. Address3b. Phone No. (include area code)5509 CHAMPIONS DRIVE MIDLAND, TX 79703Ph: 432-686-3671					10. Field and Pool or Exploratory Area WC-025 S243336I UPPER WC		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State		
Sec 35 T24S R33E 500FNL 1940FWL					LEA COUNTY, NM		
			TUDEO	ENOTICE	DEDODT OD OTI		
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA							
TYPE OF SUBMISSION		TYPE OF ACTION					
Notice of Intent	□ Acidize	Deepen	Deepen		ion (Start/Resume)	UWater Shut-Off	
Subsequent Report	Alter Casing		Hydraulic Fracturing		ation	□ Well Integrity	
	Casing Repair New Construction				□ Recomplete ⊠ Other Venting and		
Final Abandonment Notice	Change Plans			 Temporarily Abandon Water Disposal 		ng	
testing has been completed. Final determined that the site is ready fo EOG is requesting permission wells listed below due to En Hawk 35 Fed #3H 30-025-4 Hawk 35 Fed #4H 30-025-4 Hawk 35 Fed #5H 30-025-4 Hawk 35 Fed #6H 30-025-4	r final inspection. on to temporarily flare for 6 terprise maintenance. Gas 42406 42407 42408	days from 4/13/201 will be measured po SEE A	8 ? 4/18/2 rior to flarin	018 on the ng.			
14. I hereby certify that the foregoing	is true and correct. Electronic Submission # For EOG	411597 verified by the	e BLM Wel	I Information	System		
	For EOG Committed to AFMSS for	processing by JENN	IFER SANC	CHEZ on 04/1	16/2018 ()	X	
Name (Printed/Typed) KRISTIN	NA ST. ROMAIN	Title	REGUL	ATORY AD	MINISTRATOR - MI		
Signature (Electroni	c Submission)	Date	04/13/20		PROFED		
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
				/ /	10 2010		
Approved By							
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) ** OPERATOR-SUBMITTED ** OPERATØR-SUBMITTED ** OPERATOR-SUBMITTED **							
MARIOCO /							
WUR/OCD 5/9/2018							

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> <u>royalty</u> 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

- 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.
 - 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

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