
Form 3160-5 (June 2015) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Artesia					FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018		
SUNDRY NOTICES AND REPORTS ON WELLS 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. NMLC064894A		
					6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on page 2					 If Unit or CA/Agreement, Name and/or No. NMNM710161 		
1. Type of Well Gas Well Other					8. Well Name and No. POKER LAKE UNIT CVX JV PC 1H		
2. Name of Operator BOPCO LP Contact: TRACIE J CHERRY E-Mail: tjcherry@basspet.com					9. API Well No. 30-015-36635-00-S1		
3a. Address P O BOX 2760 MIDLAND, TX 79702		(include area code) 3-2277		10. Field and Pool or Exploratory Area WILDCAT			
4. Location of Well (Footage, Sec., T			11. County or Parish,	y or Parish, State			
Sec 17 T25S R30E SESE 350		EDDY COUNTY, NM					
12. CHECK THE A	PPROPRIATE BOX(ES) 1	TO INDICAT	TE NATURE OI	F NOTICE,	REPORT, OR OTH	HER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
☑ Notice of Intent	 Acidize Alter Casing 	-	 Deepen Hydraulic Fracturing 		ion (Start/Resume)	Water Shut-Off	
Subsequent Report			Construction	 Reclamation Recomplete 		Well Integrity Other	
Final Abandonment Notice	Change Plans Plug and Abandon Convert to Injection Plug Back		and Abandon	 Temporarily Abandon Water Disposal Venting and/or Flar Reg 		⁻ Flari	
13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involvec testing has been completed. Final Al determined that the site is ready for f	ally or recomplete horizontally, g rk will be performed or provide the d operations. If the operation resub andonment Notices must be filed	ive subsurface he Bond No. on alts in a multiple	locations and measur file with BLM/BIA completion or reco	red and true ve , Required su mpletion in a	ertical depths of all pertin bsequent reports must be new interval, a Form 316	nent markers and zor e filed within 30 days 50-4 must be filed on	nes. s 1ce
BOPCO, LP respectfully subn 90-days, April - June 2017.	nits this sundry for Notice o	of Intent to inf	ermittently flare				
 Wells associated at PLU Pierce Canyon 17 Fed Battery are: Poker Lake Unit CVX JV PC 001H* / 30-015-36635-00-S1 Poker Lake CVX JV RR 006H / 30-015-36636-00-S1 Poker Lake Unit CVX JV RR 010H / 30-015-42158-00-S1 Poker Lake Unit CVX JV PC 021H / 30-015-42390-00-S1 Estimated amount to flare is 100 MCFD, depending on pipeline conditio intermittent and is necessary due to restricted pipeline capacity. 				(1338-A (10135) 189	MM OIL CO ARTESIA AVG OS RECEIV	NGERVATION	
Intermittent and is necessary	aue to restricted pipeline ca	apacity.		/	RECEIV	POIN AB	A
14. I hereby certify that the foregoing is	Electronic Submission #30	OPCOLP. se	nt to the Carlsba	4 I	System		
Name (Printed/Typed) TRACIE J CHERRY			1	ATORY AN	Construction Control (1997) 110	<u> </u>	
Signature (Electronic S			Date 03/13/20			017	M
	THIS SPACE FO	R FEDERA	L OR STATE (OFFICE U	SE		\mathbb{N}
Approved By			Title		CARLSBAD TS IN	Date	\square
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				\Box
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a c statements or representations as to	rime for any pe o any matter wi	rson knowingly and thin its jurisdiction.	willfully to m	ake to any department or	agency of the Unite	á

(Instructions on page 2) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #369607 that would not fit on the form

32. Additional remarks, continued

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Gas is commingled at the flare to reduce the number flare stacks that would be needed for individual well locations.

Gas volumes will be metered prior to flaring, allocated back to each well and reported on monthly production reports

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</u>. <u>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.
 - 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).
 - 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