	UNITED STATES PARTMENT OF THE II	NTERIORNMOCD		OMB NO	APPROVED D. 1004-0137 nuary 31, 2018
BUREAU OF LAND MANAGEMENT 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. SUBMIT IN TRIPLICATE - Other instructions on page 2				5. Lease Serial No. NMNM02946	
				i. If Indian, Allottee o	r Tribe Name
				. If Unit or CA/Agree	ement, Name and/or No.
1. Type of Well ☑ Oil Well □ Gas Well □ Other			8	8. Well Name and No. GOLDEN 8 FED 2	
Name of Operator BOPCO LP	Contact: TRACIE J CHERRY E-Mail: tjcherry@basspet.com			9. API Well No. 30-015-27036-00-S1	
a. Address P O BOX 2760 MIDLAND, TX 79702		3b. Phone No. (include area code) Ph: 432-683-2277		10. Field and Pool or Exploratory Area GOLDEN LANE	
Location of Well (Footage, Sec., T.	., R., M., or Survey Description			11. County or Parish, State	
Sec 8 T21S R29E SESW				EDDY COUNTY, NM	
12. CHECK THE AF	PPROPRIATE BOX(ES)	TO INDICATE NATURE O	F NOTICE, R	EPORT, OR OTH	IER DATA
TYPE OF SUBMISSION	TYPE OF ACTION				
🛛 Notice of Intent	🗖 Acidize	Deepen	—	n (Start/Resume)	U Water Shut-Off
Subsequent Report	Alter Casing	Hydraulic Fracturing	C Reclamati		Well Integrity
☐ Final Abandonment Notice	 Casing Repair Change Plans 	New Construction Plug and Abandon	Recomple		☑ Other Venting and/or Fla
	Change Plans	Plug Back	U Temporar	ng	
90-days, April - June 2017. Wells flaring to a common field	d flare at the Golden 8 Fe	ederal tank battery:		5114117 AT	ESIA DISTRICT
Golden Lane 17 Federal #001 Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27060-00-S1 15-27683-00-S1	SE	CE ATTA	CHED FO	N 1
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27060-00-S1 15-27683-00-S1 15-35636-00-S1 5 true and correct.	SE CC	ONDITIC	INS OF AT	N 1
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27060-00-S1 15-27683-00-S1 15-35636-00-S1 5 true and correct. Electronic Submission # For E	SE CC 369655 verified by the BLM We BOPCO LP. sent to the Carista	ONDITIC	INS OF ALL	N 1
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27060-00-S1 15-27683-00-S1 15-35636-00-S1 s true and correct. Electronic Submission # For Enmitted to AFMSS for proc	SE CC 369655 verified by the BLM We BOPCO LP, sent to the Caristia essing by PRISCILLA PEREZO	ONDITIC	NS OF ALL system 7PP0476SE)	N 1
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0 (4. Thereby certify that the foregoing is Corr Name (Printed/Typed) TRACIE J	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27683-00-S1 15-27683-00-S1 15-35636-00-S1 Strue and correct. Electronic Submission # For En mitted to AFMSS for proci	SE CC 369655 verified by the BLM We BOPCO LP, sent to the Carlsta essing by PRISCILLA PEREZO Title REGUL	Il Information S and 03/14/2017 (1 ATORY ANA	NS OF ALL system 7PP0476SE)	N 1
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0 4. Thereby certify that the foregoing is Corr Name (Printed/Typed) TRACIE J	2Y / 30-015-35712-00-S1 D15-27036-00-S1 15-27215-00-S1 15-27683-00-S1 15-27683-00-S1 15-35636-00-S1 s true and correct. Electronic Submission # For En mitted to AFMSS for proc CHERRY Submission)	SE CC 369655 verified by the BLM We BOPCO LP, sent to the Carlsta essing by PRISCILLA PEREZ Title REGUL	DNDITIC II Information S ad n 03/14/2017 (1 ATORY ANA 2017	NS OF ALL system 7PP0476SE) PPROVE	FROM
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0 H4. Thereby certify that the foregoing is Com Name (Printed/Typed) TRACIE J Signature (Electronic S	2Y / 30-015-35712-00-S1 D15-27036-00-S1 15-27215-00-S1 15-27683-00-S1 15-27683-00-S1 15-35636-00-S1 s true and correct. Electronic Submission # For En mitted to AFMSS for proc CHERRY Submission)	SE CO 369655 verified by the BLM We BOPCO LP, sent to the Carlsta essing by PRISCILLA PEREZ Title REGUL Date 03/13/2 DR FEDERAL OR STATE	DNDITIC II Information S ad n 03/14/2017 (1 ATORY ANA 017 OFFICE USI	$\frac{1}{100}$	FROMAL
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-0 Golden 8 Federal #004 / 30-0 Golden D Federal #002 / 30-0 Golden D Federal #003 / 30-0 Golden D Federal #004 / 30-0 44. Thereby certify that the foregoing is Corr Name (Printed/Typed) TRACIE J Signature (Electronic S Signature (Electronic S	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27683-00-S1 15-27683-00-S1 15-35636-00-S1 15-35636-00-S1 15-35636-00-S1 Strue and correct. Electronic Submission # For E nmitted to AFMSS for proc 1 CHERRY Submission) THIS SPACE FC d. Approval of this notice does uitable title to those rights in the	SE CC 369655 verified by the BLM We BOPCO LP, sent to the Carista essing by PRISCILLA PEREZO Title REGUL Date 03/13/2 DR FEDERAL OR STATE	DNDITIC II Information S ad n 03/14/2017 (1 ATORY ANA OFFICE USJ BIREALL	NS OF AIR system 7PP0476SE) PPROVE	FROMAL
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-C Golden 8 Federal #004 / 30-O Golden D Federal #003 / 30-O Golden D Federal #004 / 30-O Golden D Federal #004 / 30-O H4. Thereby certify that the foregoing is Corr Name (Printed/Typed) TRACIE J Signature (Electronic S Signature (Electronic S Approved By onditions of approval, if any, are attacher trify that the applicant holds legal or equich would entitle the applicant to condu- the 18 U.S.C. Section 1001 and Title 43	2Y / 30-015-35712-00-S1 015-27036-00-S1 15-27215-00-S1 15-27060-00-S1 15-27683-00-S1 15-35636-00-S1 Strue and correct. Electronic Submission # For Enmitted to AFMSS for proce I CHERRY Submission) THIS SPACE FC d. Approval of this notice does uitable title to those rights in the lect operations thereon. U.S.C. Section 1212, make it a	SE CO CO CO CO CO CO CO CO CO CO	DNDITIC III Information S an 03/14/2017 (1 ATORY ANA OFFICE USI BUREAU CARI	NS OF AIR system 7PP0476SE) PPROVE 4UG 1 7017 OF LANS MARAPE SBAD 11 DO DE	
Golden Lane 17 Federal #002 Golden 8 Federal #002* / 30-C Golden 8 Federal #004 / 30-O Golden D Federal #003 / 30-O Golden D Federal #003 / 30-O Golden D Federal #004 / 30-O H. Thereby certify that the foregoing is Corr Name (<i>Printed/Typed</i>) TRACIE J Signature (Electronic S Signature (Electronic S Approved By onditions of approval, if any, are attacher trify that the applicant holds legal or equich would entitle the applicant to condu- tte 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	2Y / 30-015-35712-00-S1 15-27036-00-S1 15-27060-00-S1 15-27683-00-S1 15-27683-00-S1 15-35636-00-S1 Strue and correct. Electronic Submission # For Enmitted to AFMSS for proce I CHERRY Submission) THIS SPACE FC d. Approval of this notice does uitable title to those rights in the lect operations thereon. U.S.C. Section 1212, make it a statements or representations as	SE CO CO CO CO CO CO CO CO CO CO	DNDITIC II Information S an 03/14/2017 (1 ATORY ANA OFFICE USJ BUREAU CARI	NS OF AIR system 7PP04765E) PPROVE 4UG 1 7017 OF LANS MARAPE SBAD THE DEPARTMENT to any department or	Agency of the United

¢

*

.

Additional data for EC transaction #369655 that would not fit on the form

32. Additional remarks, continued

Estimated amount to flare is 100 MCFD. Gas is being flared due to high H2S content. No economic alternative is currently available to put gas in marketable condition.

,

Gas volumes will be metered prior to flaring and reported on monthly OGOR.

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".
- 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>. Report <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>

1

- 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).
 - 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; <u>https://www.ecfr.gov/cgi-</u>

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