

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

NMOC D
Artesia

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. ROSS DRAW 8 FED 2H
2. Name of Operator EOG RESOURCES Contact: LORI J NUGENT E-Mail: Lori_Nugent@egoresources.com		9. API Well No. 30-015-39099
3a. Address 5509 CHAMPIONS DRIVE MIDLAND, TX 79706	3b. Phone No. (include area code) Ph: 432-686-3670	10. Field and Pool or Exploratory Area WILDCAT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T26S R31E NWNE 330FNL 2240FEL		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 or recompletion 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.

EOG Resources, Inc. contacted Jennifer Sanchez with the BLM on 12/14/2016 regarding flare sundries that inadvertently had not been filed from 3/2013 - 6/2016. EOG Resources, Inc. reviewed files to determine flare volumes and reasons for flaring. Ms. Sanchez asked that EOG Resources, Inc. submit one sundry for each lease listing all volumes flared for the time period stated. EOG Resources, Inc. is reviewing other lease files and will submit other sundries as these reviews are complete.

EOG Resources, Inc. respectfully requests royalty free flare dispositions under NTL-4A.

See attached Exhibit A for detailed flare information

See attached Exhibit B for additional well/lease information

NM OIL CONSERVATION
ARTESIA DISTRICT

AUG 09 2017

SEE ATTACHED FOR RECEIVED
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #371718 verified by the BLM Well Information System For EOG RESOURCES, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/04/2017 ()	
Name (Printed/Typed) LORI J NUGENT	Title PREPARER
Signature (Electronic Submission)	Date 03/30/2017

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
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		

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

ATTACHMENT - EXHIBIT A
 AGREEMENT
 LEASE

MULTIPLE - SEE ATTACHED EXHIBIT B
 NMNMO438001

EQUIPMENT NAME

ROSS DRAW 8 FED 2H FLARE 63787001
 ROSS DRAW 8 FED CTB LP FL (1/2016)

To the best of my knowledge, these Flare meters are located on lease and are 2 of three flare meters on the lease.

WELLS		VOLUME	TIME	REASON	GAS SALES
ROSS DRAW 8 FED 2H	7/2013	2,029 Flare 4 days	32 hrs	Unavoidable Loss / SUG Plant Problems	47,141
	6/2014	88 Flare 1 day	2 hrs	Unavoidable Loss	42,255
	9/2014	1,241 Flare 2 days	24 hrs	Unavoidable Loss / Regency Pipeline problems	37,465
	10/2014	40 Flare 1 day	1.5 hrs	Unavoidable Loss / High Line Pressure	39,559
	11/2014	24 Flare 1 day	1.5 hrs	Unavoidable Loss	37,312
	12/2014	9 Flare 1 day	1 hr	Unavoidable Loss	37,596
	1/2015	94 Flare 2 days	3 hrs	Unavoidable Loss	35,971
	2/2015	763 Flare 4 days	23 hrs	Unavoidable Loss / Regency Pipeline problems	31,489
	3/2015	39 Flare 2 days	2 hrs	Unavoidable Loss	35,103
	4/2015	284 Flare 7 days	15 hrs	Unavoidable Loss / High Line Pressure / Gas company pigging lines	32,922
	5/2015	198 Flare 4 days	8.5 hrs	Unavoidable Loss / High Line Pressure	33,483
	6/2015	627 Flare 4 days	19 hrs	Unavoidable Loss / High Line Pressure	30,780
	7/2015	243 Flare 3 days	8 hrs	Unavoidable Loss / High Line Pressure	31,921
	8/2015	1,880 Flare 6 days	106 hrs	Unavoidable Loss / Regency Pipeline problems	30,043
	9/2015	2,523 Flare 3 days	61 hrs	Unavoidable Loss / High Line Pressure / Energy Transfer Pipeline	27,841
	10/2015	1,758 Flare 4 days	46 hrs	Unavoidable Loss / High Line Pressure / Energy Transfer Pipeline	29,652
	11/2015	21 Flare 1 day	2 hrs	Unavoidable Loss / High Line Pressure	29,584
	2/2016	551 Flare 3 days	22 hrs	Unavoidable Loss / High Line Pressure	27,277
	3/2016	2,665 Flare 7 days	76 hrs	Unavoidable Loss / High Line Pressure / Regency power outage	27,758
	4/2016	73 Flare 4 days	6 hrs	Unavoidable Loss / High Line Pressure	29,541
	5/2016	117 Flare 2 days	4 hrs	Unavoidable Loss / High Line Pressure	29,317

EQUIPMENT NAME

ROSS GULCH 8 FC 1H 63787002 FLARE

To the best of my knowledge, this Flare meter is located on lease and is 1 of three flare meters on the lease.

WELLS		VOLUME	TIME	REASON	GAS SALES
ROSS GULCH 8 FC 1H	10/2013	332 Flare 9 days	32 hrs	Unavoidable Loss	28,893
	11/2013	102 Flare 2 days	3 hrs	Unavoidable Loss	27,960
	12/2013	661 Flare 8 days	38 hrs	Unavoidable Loss / sales line frozen	27,034
	1/2014	1,077 Flare 10 days	62 hrs	Unavoidable Loss / sales line frozen	24,141
	2/2014	152 Flare 4 days	9.5 hrs	Unavoidable Loss	23,152
	3/2014	87 Flare 2 days	4 hrs	Unavoidable Loss	25,866
	4/2014	80 Flare 1 day	2.5 hrs	Unavoidable Loss / high line pressure	24,644
	5/2014	71 Flare 3 days	4 hrs	Unavoidable Loss	26,225
	7/2014	11 Flare 1 day	1 hr	Unavoidable Loss	27,080
	9/2014	940 Flare 3 days	26.5 hrs	Unavoidable Loss / Regency pipeline problems	26,413
	10/2014	101 Flare 2 days	4.25 hrs	Unavoidable Loss	27,081
	11/2014	400 Flare 7 days	20 hrs	Unavoidable Loss	25,887
	12/2014	37 Flare 2 days	3.2 hrs	Unavoidable Loss	24,056
	1/2015	314 Flare 9 days	26.5 hrs	Unavoidable Loss	23,093
	2/2015	655 Flare 7 days	26.5 hrs	Unavoidable Loss / Regency pipeline problems	19,398
	3/2015	41 Flare 3 days	2.25 hrs	Unavoidable Loss	24,204
	4/2015	245 Flare 8 days	13 hrs	Unavoidable Loss / high line pressure / Regency pigging line	22,622
	5/2015	186 Flare 5 days	8.25 hrs	Unavoidable Loss / high line pressure	22,287
	6/2015	272 Flare 3 days	16.5 hrs	Unavoidable Loss / high line pressure	19,845
	7/2015	3 Flare 1 day	.25 hrs	Unavoidable Loss	19,077
	8/2015	2139 Flare 10 days	93.5 hrs	Unavoidable Loss / high line pressure / Regency pipeline line problems	21,496
	9/2015	2,000 Flare 6 days	69 hrs	Unavoidable Loss / high line pressure / Energy Transfer Pipeline problem	21,431
	10/2015	1,315 Flare 5 days	44 hrs	Unavoidable Loss / high line pressure	22,306
	12/2015	39 Flare 1 day	2 hrs	Unavoidable Loss / high line pressure	23,569
	1/2016	47 Flare 1 day	2 hrs	Unavoidable Loss / high line pressure	23,687
	2/2016	178 Flare 3 days	8 hrs	Unavoidable Loss / high line pressure	21,801
	3/2016	2181 Flare 8 days	76.5 hrs	Unavoidable Loss / high line pressure	22,462
	4/2016	20 Flare 4 days	2 hrs	Unavoidable Loss / high line pressure	22,073

ATTACHMENT - EXHIBIT B
 5. Lease Serial No., continued

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location	Type	Field/Pool	County	State
NMINM133076	NMINM0438001	ROSS DRAW 8 FED 2H	30-015-39099-00-S1	SEC 8 T26S R 31E NWNE 330 FNL 2240 FEL	OIL	WILD CAT	EDDY	NM
NMINM0438001	NMINM0438001	ROSS GULCH 8 FED COM 1H	30-015-39171-00-S1	SEC 8 T26S R 31E NENW 330 FNL 1540 FWL	OIL	WILD CAT	EDDY	NM

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 temporary emergency flare 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). Include method for volume determination and duration. 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.
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).
 - 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>