Form 3160-5 (June 2015)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

# **NMOCD** Artesia

FORM APPROVED
OMB NO. 1004-0137
Evniree: January 31 201

	Expires:	January 31, 2018	
5.	Lease Serial No.		_
	NMLC068430		

SUNDRY	NMLC068430  6. If Indian, Allottee or Tribe Name							
Do not use thi abandoned wel								
SUBMIT IN 1	7. If Unit or CA/Agreement, Name and/or No. 891000303J							
1. Type of Well ☐ Gas Well ☐ Oth	8. Well Name and No. POKER LAKE UNIT CVX JV PC 6H							
2. Name of Operator BOPCO LP	9. API Well No. 30-015-36636-0	0-S1						
3a. Address P O BOX 2760 MIDLAND, TX 79702	Phone No. (include area code) 432-683-2277		10. Field and Pool or Exploratory Area WILDCAT					
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)			11. County or Parish, S	State			
Sec 33 T24S R30E SESE 350 32.167987 N Lat, 103.878578	EDDY COUNTY, NM							
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	☐ Product	ion (Start/Resume)	■ Water Shut-Off			
_	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclama		☐ Well Integrity			
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomp		☑ Other Venting and/or Flari			
☐ Final Abandonment Notice	☐ Change Plans ☐ Convert to Injection	☐ Plug and Abandon☐ Plug Back☐	☐ Tempor☐ Water D	arily Abandon	ng			
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.  BOPCO, LP respectfully submits this sundry for Notice of Intent to intermittently flare for 90-days, April - June 2017.  Wells associated at the PLU Pierce Canyon 33 Fed Battery are: POKER LAKE UNIT CVX JV PC 006H* / 30-015-36636-00-S1 POKER LAKE CVX JV PC 014H / 30-015-41137-00-S1  Estimated amount to flare is 100 MCFD, depending on pipeline conditions. Flaring will be CONDITIONS OF A POINT APPRIENT OF A POINT								
14. I hereby certify that the foregoing is  Com  Name (Printed/Typed) TRACIE J	Electronic Submission #369596 For BOPCC mitted to AFMSS for processing	DLP, sent to the Carlsback by PRISCILLA PEREZ of	1 <i>1</i>	(17PP0429SE)				
Signature (Electronic S		Date 03/13/2		PPKUVED	7			
	THIS SPACE FOR FE	DERAL OR STATE	FFICE U	2.5 G 1 2017 V				
Approved By  Conditions of approval, if any, are attached	Title rrant or	A DUREAU	J OF LANS MASSES RLSBAU FIELD OFFICE	Date				
certify that the applicant holds legal or equ which would entitle the applicant to condu	itable title to those rights in the subject operations thereon.	t lease Office						
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a crime f tatements or representations as to any	or any person knowingly and matter within its jurisdiction.	willfully to ma	ike to any department or	agency of the United			

## Additional data for EC transaction #369596 that would not fit on the form

### 32. Additional remarks, continued

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 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 OGQR "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.
  - 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**; <a href="https://www.ecfr.gov/cgi-">https://www.ecfr.gov/cgi-</a>

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