UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5. Lease Serial No. NMLC068545

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

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Į	6.	If Indian,	Allottee	or Tribe	Name

abandoned wei	II. USE IOIIII 3100-3 (AFI	o) for such p					
SUBMIT IN 1	7. If Unit or CA/Agreement, Name and/or No. 891000303F						
1. Type of Well ☐ Gas Well ☐ Oth	8. Well Name and No. POKER LAKE UNIT 184						
2. Name of Operator BOPCO LP	TRACIE J CHERRY asspet.com			9. API Well No. 30-015-31990-00-\$1			
3a. Address P O BOX 2760 MIDLAND, TX 79702	3b. Phone No. Ph: 432-68	(include area code 3-2277)	10. Field and Pool or Exploratory Area NASH DRAW-DELAWARE			
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description,			11. County or Parish,	State		
Sec 6 T24S R30E SWNE 170	0FNL 1850FEL				EDDY COUNT	Y, NM	
12. CHECK THE AF	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE (F NOTICE	, REPORT, OR OT	HER DATA	
TYPE OF SUBMISSION			TYPE OF ACTION				
Notice of Intent	☐ Acidize	□ Deep	☐ Deepen ☐ Production (S		tion (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing		raulic Fracturing	☐ Reclam	nation	☐ Well Integrity	
☐ Subsequent Report	□ Casing Repair	□ New	Construction	☐ Recom	=	Other Venting and/or Flar	
☐ Final Abandonment Notice	☐ Change Plans		and Abandon		rarily Abandon	ng	
13. Describe Proposed or Completed Ope	☐ Convert to Injection	☐ Plug		☐ Water 1			
Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for f BOPCO, LP respectfully subm 90-days, April - June 2017. Wells associated at the PLU 1 POKER LAKE UNIT 137 / 30-POKER LAKE UNIT 144 / 30-POKER LAKE UNIT 144 / 30-POKER LAKE UNIT 145 / 30-POKER LAKE UNIT 145 / 30-POKER LAKE UNIT 149 / 30-POKER LAKE UNIT 152 / 30-POKER LAK	operations. If the operation repandonment Notices must be filinal inspection. nits this sundry for Notice 84 battery are: 015-29715-00-S1 015-29876-00-S1 015-30039-00-S1 015-300341-00-S1 015-31006-00-S1 015-31416-00-S1	sults in a multiple ed only after all i	e completion or reception or reception of reception of the complete of the com	completion in a ding reclamation of the for	new interval, a Form 310 on, have been completed	OIL CONSERVAT ARTESIA DISTRICT AUG 0 9 2017	
14. Thereby certify that the foregoing is	Electronic Submission #		by the BLM Went to the Carlsb		n System	/	
Con	mmitted to AFMSS for proce	essing by PRI	CILLA PEREZ	on 03/14/2017	(17PP0458SE)	/	
Name (Printed/Typed) TRACIE J	CHERRY		Title REGU	LATORY AN	IALYST	X 	
Signature (Electronic S	Submission)		Date 03/13/2	2017	ADDRAVE	5	
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE U	SE /		
Approved By			Title	1/1	AUG 1/201	Date	
Conditions of approval, if any, are attache certify that the applicant holds legal or equ which would entitle the applicant to condu	nitable title to those rights in the act operations thereon.	Office		EAU OF LAND MANAGE			
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 statements or representations as	crime for any pe to any matter wi	rson knowingly an thin its jurisdiction	a will fully to m	ake to any department or	agency of the United	
(Instructions on page 2) ** BLM REV	ISED ** BLM REVISED		VISED **/BL	V REVISEI	D ** BLM REVISE	D **	

Additional data for EC transaction #369633 that would not fit on the form

32. Additional remarks, continued

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POKER LAKE UNIT 154 / 30-015-31686-00-S1
POKER LAKE UNIT 155 / 30-015-31687-00-S1
POKER LAKE UNIT 161 / 30-015-31318-00-S1
POKER LAKE UNIT 163 / 30-015-34183-00-S1
POKER LAKE UNIT 164 / 30-015-33137-00-S1
POKER LAKE UNIT 165 / 30-015-31334-00-S1
POKER LAKE UNIT 167 / 30-015-31696-00-S1
POKER LAKE UNIT 168 / 30-015-34341-00-S1
POKER LAKE UNIT 177 / 30-015-33161-00-S1
POKER LAKE UNIT 186 / 30-015-31973-00-S1
POKER LAKE UNIT 263H /30-015-35115-00-S1
POKER LAKE UNIT 264 / 30-015-34946-00-S1
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Estimated amount to flare is 100 MCFD, depending on pipeline conditions. Flaring will be intermittent and is necessary due to restricted pipeline capacity.

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 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

- 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".
- 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.
 - 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-

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