Form 3160-5 (June 2015)	DE	UNITED STATES		NMOC		1 APPROVED NO. 1004-0137 January 31, 2018		
		JREAU OF LAND MANA NOTICES AND REPO		Artesia	C I C . 111			
	Do not use thi abandoned wel	s form for proposals to I. Use form 3160-3 (AP	drill or to re-enter an D) for such proposals.		6. If Indian, Allottee	or Tribe Name		
	SUBMIT IN 1	RIPLICATE - Other inst	tructions on page 2		7. If Unit or CA/Agro	eement, Name and/or N		
1. Type of Well ☐ Gas Well ☐ Other					8. Well Name and No BURCH KEELY	8. Well Name and No. BURCH KEELY UNIT 292		
2. Name of Operato COG OPERA	r		DANA KING ncho.com		9. API Well No. 30-015-28955-	00-S1 REA		
3a. Address 600 W ILLINC MIDLAND, TX			3b. Phone No. (include are Ph: 432-818-2267	ea code)	10. Field and Pool or BURCH KEEL	Exploratory Area Y-GLORIETA-UPP		
4. Location of Well	(Footage, Sec., T.	, R., M., or Survey Description)		11. County or Parish	, State		
Sec 26 T17S	R29E SWNW 19	80FNL 1295FWL			EDDY COUNT	Y, NM		
12. C	CHECK THE AP	PROPRIATE BOX(ES)	TO INDICATE NATU	RE OF NOTIO	CE, REPORT, OR OT	HER DATA		
TYPE OF SU	BMISSION		TY	PE OF ACTIO	Ň			
Notice of Int	ent	Acidize	🗖 Deepen	D Proc	luction (Start/Resume)	UWater Shut-O		
-		Alter Casing	🗖 Hydraulic Frac	turing 🖸 Rec	lamation	Well Integrity		
Subsequent I	-	Casing Repair	New Construct		omplete	Other Venting and/or F		
Final Abande	onment Notice	Change Plans	Plug and Aband Plug Back	-	iporarily Abandon er Disposal	ng		
23, T17S, R29				RCH KEELY U				
		20-015	-3271b		NA	ARTESIA DIE		
PLEASE SEE	ATTACHED WE	ELL LIST	SEE AT CONDIT	TACHED	FOR FAPPROVA	ARTESIA DISTR		
Pleace IF	VISE YOU			how as	PAA'd T	HIRECEIVED		
14. I hereby certify	0.0	Electronic Submission #	PERATING LLC, sent to	the Carlsbad		DOP		
Name (Printed/Ty	ped) DANA KIN	IG	Title S	UBMITTING C		_/		
Signature	(Electronic S	ubmission)	Date 0	7/03/2017	<u>APPROVED</u>	XIL		
		THIS SPACE FO	DR FEDERAL OR ST	ATEOFFICE				
Approved By			Title		JUL 2 0 2017	1 Joan h		
Conditions of approva	nt holds legal or equ	 Approval of this notice does itable title to those rights in the ct operations thereon. 		BURE	AU OF LAND MANACEA	ENT TH		
States any false, ficti	itious or fraudulent s	U.S.C. Section 1212, make it a tatements or representations as	crime for any person knowin to any matter within its juris	gly and willfully to diction.	o make to any department o	r agency of the United		
(Instructions on page 2	²⁾ ** BLM REVI	SED ** BLM REVISEI	D ** BLM REVISED *		ED ** BLM REVISE	:D **		
				\mathbf{A}		\mathcal{V}		

Additional data for EC transaction #380461 that would not fit on the form

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32. Additional remarks, continued

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FROM 7/4/2017 TO 10/2/2017 BBLS OIL/DAY: 150 MCF/DAY: 1300 REASON: UNPLANNED MIDSTREAM CURTAILMENT FRONTIER PLANT MAINTENANCE

BURCH KEELY UNIT SATELLITE E BATTERY WELL LIST BURCH-KEELY UNIT #292 30-015-29955-00-S1 X PLUGGED BURCH-KEELY UNIT #341 30-015-32716-00-S1	/RECLA	11/271101	N ICHIVNIC	⁻ 1 ⁻ 5
SURCH-KEELY UNIT #341 30.015-29935-00-51				
BURCH-KEELY UNIT #299 30-015-29492-00-S1				
BURCH-KEELY UNIT #172 30-015-24442-00-S1				
BURCH-KEELY UNIT #859 30-015-40383-00-S01				
BURCH-KEELY UNIT #332 30-015-32698-00-S1				
SURCH-KEELY UNIT #305 30-015-30491-00-S1-				
BURCH-KEELY UNIT #121 30-015-03056-00-S1				
BURCH-KEELY UNIT #118 30-015-26880-00-S1				
SURCH-KEELY UNIT #409 30-015-39547-00-S01				
BURCH-KEELY UNIT #632 30-015-40327-00				
BURCH-KEELY UNIT #252 30-015-28464-00-S1				
BURCH-KEELY UNIT #167 30-015-03117-00-S1		11	, ,	
BURCH-KEELY UNIT #727 30-015-38652-00	11	11	3/11/14	
30RCH-KEELY UNIT #375 30-015-33794-00-51			01111	
JORCH-REELI UNIT #254 30-013-26363-00-31~				
BURCH-KEELY UNIT #298 30-015-29813-00-S1				
BURCH-KEELY UNIT #119 30-015-21369-00-S1				
BURCH-KEELY UNIT #76 30-015-23166-00-S1				
BURCH-KEELY UNIT #408 30-015-36178-00-S1				
BURCH-KEELY UNIT #609 30-015-38645-00				
BURCH-KEELY UNIT #117 30-015-03059-00-S1				•
BURCH-KEELY UNIT #226 30-015-28243-00-S1				
BURCH-KEELY UNIT #378 30-015-33814-00-S1				
BURCH-KEELY UNIT #127 30-015-03130-00-S1				
BURCH-KEELY UNIT #79 30-015-03058-00-S1				
BURCH-KEELY UNIT #233 30-015-27993-00-S1				
BURCH-KEELY UNIT #603 30-015-40275-00 🖊				
BURCH-KEELY UNIT #288 30-015-30394-00-S1				
BURCH-KEELY UNIT #128 30-015-03131-00-S1				
BURCH-KEELY UNIT #287 30-015-30116-00-S1				
BURCH-KEELY UNIT #253 30-015-28586-00-S1				
BURCH-KEELY UNIT #122 30-015-03051-00-S1				
BURCH-KEELY UNIT #268 30-015-29478-00-S1				
BURCH-KEELY UNIT #343 30-015-32711-00-S1				
BURCH-KEELY UNIT #306 30-015-31321-00-S1				
BURCH-KEELY UNIT #116 30-015-03066-00-S1				
BURCH-KEELY UNIT #232 30-015-27992-00-S1				
BURCH-KEELY UNIT #260 30-015-28912-00-S1				
BURCH-KEELY UNIT #725 30-015-38954-00				
BURCH-KEELY UNIT #218 30-015-27650-00-S1				
BURCH-KEELY UNIT #608 30-015-38571-00-S1				
BURCH-KEELY UNIT #126 30-015-24417-00-S1				
BURCH-KEELY UNIT #174 30-015-03115-00-S1				
BURCH-KEELY UNIT #610 30-015-40703-00				
BURCH-KEELY UNIT #333 (SA) 30-015-32699-00-S02				
BURCH-KEELY UNIT #724 30-015-38480-00				

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BURCH-KEELY UNIT #339 30-015-32700-00-S1 BURCH-KEELY UNIT #77 30-015-03053-00-S1 BURCH-KEELY UNIT #662 30-015-40884-00 BURCH-KEELY UNIT #228 30-015-27989-00-S1-BURCH-KEELY UNIT #74 30-015-23836-00-S1 BURCH-KEELY UNIT #211 30-015-27487-00-S1 BURCH-KEELY UNIT #266 30-015-28886-00-S1 BURCH-KEELY UNIT #300 30-015-30791-00-S1~ BURCH-KEELY UNIT #600 30-015-40883-00 BURCH-KEELY UNIT #227 30-015-28687-00-S1 BURCH-KEELY UNIT #336 30-015-32708-00-S1 BURCH-KEELY UNIT #290 30-015-30453-00-S1-BURCH-KEELY UNIT #635 30-015-40972-00 BURCH-KEELY UNIT #243 30-015-28088-00-S1 BURCH-KEELY UNIT #611 30-015-38646-00-S01-BURCH-KEELY UNIT #251 30-015-28360-00-S1-BURCH-KEELY UNIT #310 30-015-31247-00-S1-BURCH-KEELY UNIT #302 30-015-30632-00-S1 BURCH-KEELY UNIT #217 30-015-27680-00-S1-²BURCH-KEELY UNIT #293 30-015-29812-00-S1-BURCH-KEELY UNIT #407 30-015-36179-00-S1-BURCH-KEELY UNIT #240 30-015-28911-00-S1 BURCH-KEELY UNIT #726 30-015-38651-00-S1-BURCH-KEELY UNIT #214 30-015-27607-00-S1~ BURCH-KEELY UNIT #248 30-015-28582-00-S1~ BURCH-KEELY UNIT #130 30-015-03118-00-S1 BURCH-KEELY UNIT #607 30-015-40320-00 BURCH-KEELY UNIT #123 30-015-24711-00-S1 BURCH-KEELY UNIT #338 30-015-32756-00-S1 BURCH-KEELY UNIT #348 30-015-32714-00-S1 BURCH-KEELY UNIT #344 30-015-32712-00-S1 BURCH-KEELY UNIT #208 30-015-03116-00-S1 BURCH-KEELY UNIT #84 30-015-03070-00-S1 BURCH-KEELY UNIT #333 (YESO) 30-015-32699-00-S1 BURCH-KEELY UNIT #950H (FKA 5H) 30-015-40638-00~ BURCH-KEELY UNIT #612 30-015-38479-00-S01 BURCH-KEELY UNIT #860 30-015-40384-00 BURCH-KEELY UNIT #124 30-015-24415-00-S1 BURCH-KEELY UNIT #356 30-015-32920-00-S1-BURCH-KEELY UNIT #278 30-015-29809-00-S1~ BURCH-KEELY UNIT #216 30-015-27574-00-S1~ BURCH-KEELY UNIT #345 30-015-32713-00-S1 BURCH-KEELY UNIT #75 30-015-03041-00-S1 BURCH-KEELY UNIT #80 30-015-21660-00-S1 BURCH-KEELY UNIT #169 30-015-22573-00-S1~ BURCH-KEELY UNIT #283 30-015-29963-00-S1 BURCH-KEELY UNIT #605 30-015-38516-00-S01~ BURCH-KEELY UNIT #264 30-015-29175-00-S1~

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).
 - 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; <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