Form 3160-5 (June 2015)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

**NMOCD** Artesia SUNDRY NOTICES AND REPORTS ON WELLS

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

## 5. Lease Serial No. NMLC029426B

abandoned wel	6. If Indian, Allottee o	6. If Indian, Allottee or Tribe Name						
SUBMIT IN T	TRIPLICATE - Other instruct	ions on page 2	7. If Unit or CA/Agree	ement, Name and/or No.				
1. Type of Well	8. Well Name and No. H.E. WEST B2 04							
☐ Oil Well ☐ Gas Well ☐ Oth  2. Name of Operator		DY K KOTESKY	9. API Well No.					
LINN OPERATING, INC.	E-Mail: MKOTESKY@L		30-015-26049	_				
3a. Address 600 TRAVIS, STE 1400 HOUSTON, TX 77002		Phone No. (include area code): 281-840-4208	10. Field and Pool or I GRAYBURG JA	Exploratory Area CKSON;SRQGSA				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish, S	11. County or Parish, State				
Sec 9 T17S R31E Mer 6PM 6	EDDY COUNTY	EDDY COUNTY COUNTY, NM						
12. CHECK THE AF	PPROPRIATE BOX(ES) TO	INDICATE NATURE O	F NOTICE, REPORT, OR OTH	IER DATA				
TYPE OF SUBMISSION		TYPE OF	ACTION					
■ Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off				
	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity				
☐ Subsequent Report	□ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other				
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Venting and/or Flari				
i	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	-				
LINN RESPECTFULLY REQUESTS TO FLARE FROM 5/1/17 TO 7/31/17 AT 52 MCF/D FROM THE H.E. WEST B2 BATTERY DUE TO REQUEST FROM FRONTIER GAS PLANT TO SHUT-IN BATTERY DUE TO HIGH NITROGEN CONTENT IN GAS. PLEASE SEE ATTACHED LIST FOR THE WELLS INCLUDED IN THIS BATTERY.  NM OIL CONSERVATION  ARTESIA DISTRICT  CCE ATTACHED FOR								
			TTACHED FOR					
	AUG 29	LOND /// LOND	ITIONS OF APPRO	<u>)V</u> AL				
RECEIVED								
14. I hereby certify that the foregoing is	true and correct. Electronic Submission #3820	96 verified by the BLM Well	I Information System					
	For LINN OPER. Committed to AFMSS for proc	ATING, INC., sent to the Ca	a∱isbad / ੈ / /	- 1				
Name (Printed/Typed) MINDY K	KOTESKY	· 1	ATORY SPECIALIST	- 1				
	TO LOCK		Appohyto					
Signature (Electronic S	Submission)	Date 07/21/20	APPRUVEU					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE								
Approved By		Title	AUG 14 2017	Apite				
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu	iitable title to those rights in the subje		BUREAU OF LAND TO NACE ME CARLSBAD FIELD OF SEE					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s			willfully to make to any department or a	agency of the United				
(7. 4 2)				——————————————————————————————————————				

ABD

30-015-05061	H E WEST A	#002 O	il Federal
_30-015-05001 _30-015-05066-	HE WEST A	#002 O	
30-015-26015	H E WEST A	#015 O	
30-015-26573	H E WEST A	#018 O	_
30-015-26790	H E WEST A	#019 O	il Federal
30-015-26793	H E WEST A	#020 O	il Federal
30-015-26787	H E WEST A	#021 O	il Federal 🖊
30-015-27127	H E WEST A	#022 O	il Federal
30-015-27128	H E WEST A	#023 O	il Federal
30-015-27368	H E WEST A	#024 O	il Federal
30-015-27369	H E WEST A	#025 O	_
30-015-28321	H E WEST A	#026 O	_
30-015-28322	H E WEST A	#027 O	
30-015-28318	H E WEST A	#028 O	
30-015-28467	H E WEST A	#029 O	
30-015-28465	H E WEST A	#030 O	
30-015-28323	H E WEST A	#031 0	
30-015-28324 30-015-28325	H E WEST A	#032 O #033 O	
30-015-28536	H E WEST A	#034 O	
30-015-26049	H E WEST B	#043 O	
30-015-26099	H E WEST B	#045 O	
30-015-27148	H E WEST B	#053 O	•
30-015-27150	H E WEST B	#054 O	
30-015-27564	H E WEST B	#062 O	,
30-015-27480	H E WEST B	#063 O	il Federal
30-015-27402	H E WEST B	#064 O	il Federal
30-015-28132	H E WEST B	#073 O	il Federal
30-015-28264	H E WEST B	#074 O	il Federal 🖊
30-015-28466	H E WEST B	#076 O	
30-015-28314	H E WEST B	#077 O	
30-015-28315	H E WEST B	#079 O	
30-015-28299	H E WEST B	#080 O	
30-015-28316	H E WEST B	#081 O	
30-015-28483	H E WEST B	#083 0	_
30-015-28300 30-015-28388	H E WEST B	#084 O #086 O	_
30-015-28468	H E WEST B	#080 O	
30-015-28537	H E WEST B	#087 O	
30-015-28565	H E WEST B	#089 O	
30-015-28470	H E WEST B	#091 O	
30-015-28538	H E WEST B	#092 O	
30-015-05059	H E WEST B	#025 O	
30-015-25921	H E WEST B	#031 O	
30-015-25989	H E WEST B	#034 O	
30-015-26033	H E WEST B	#041 O	il Federal
30-015-26044	H E WEST B	#042 O	il Federal 🖊

### H.E. WEST B2 BATTERY

30-015-26791	H E WEST B	#049	Oil	Federal 🖊
30-015-27109	H E WEST B	#050	Oil	Federal 🖊
30-015-27110	H E WEST B	#051	Oil	Federal 🖊
30-015-27149	H E WEST B	#052	Oil	Federal 🖊
30-015-27353	H E WEST B	#056	Oil	Federal 🖊
30-015-27317	H E WEST B	#057	Oil	Federal-
30-015-27311	H E WEST B	#058	Oil	Federal 🖊
30-015-27318	H E WEST B	#059	Oil	Federal /
30-015-27561	H E WEST B	#060	Oil	Federal
30-015-27401	H E WEST B	#061	Oil	Federal
30-015-28634	H E WEST B	#065	Oil	Federal 🖊
30-015-27785	H E WEST B	#066	Oil	Federal 🖊
30-015-27354	H E WEST B	#067	Oil	Federal 🖊
30-015-28575	H E WEST B	#068	Oil	Federal 🖊
30-015-28535	H E WEST B	#069	Oil	Federal -
30-015-28574	H E WEST B	#070	Oil	Federal -
30-015-28573	H E WEST B	#071	Oil	Federal 🖊
30-015-28466	H E WEST B	#076	Oil	Federal 🖊
30-015-28387	H E WEST B	#085	Oil	Federal 🖊

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

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