Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

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

5. I

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

"	NMLC029395B
6.	If Indian, Allottee or Tribe Name

abandoned wer								
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agree	7. If Unit or CA/Agreement, Name and/or No.		
Type of Well	8. Well Name and No. TURNER B 102							
2. Name of Operator Contact: MINDY K KOTESKY LINN OPERATING, INC. E-Mail: MKOTESKY@LINNENERGY.COM					9. API Well No. 30-015-26664			
3a. Address 600 TRAVIS SUITE 1400 HOUSTON, TX 77002	3b. Phone No. (include area code) Ph: 281-840-4208 Fx: 832-426-5972			10. Field and Pool or Exploratory Area GRAYBURG JACKSON;SR-Q-G-S				
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)				11. County or Parish, State			
Sec 20 T17S R31E Mer 6PM	EDDY COUNTY	COUNTY, NM						
12. CHECK THE AF	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE	, REPORT, OR OTH	ER DATA		
TYPE OF SUBMISSION			ТҮРЕ О	ACTION	·			
Notice of Intent	☐ Acidize	☐ Dee	epen Production (Start/Re		tion (Start/Resume)	☐ Water Shut-Off		
	☐ Alter Casing	☐ Hydraulic Fracturing		□ Reclamation		☐ Well Integrity		
☐ Subsequent Report	☐ Casing Repair	_	Construction	☐ Recom	plete	☑ Other Venting and/or Flari		
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug	and Abandon	_	rarily Abandon	ng		
	☐ Convert to Injection	☐ Plug	Back	☐ Water l	Disposal			
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. LINN RESPECTFULLY REQUESTS TO FLARE FROM 10/28/17 TO 01/26/18 AT 18 MCF/D FROM THE TURNER B (NORTH) 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** NOV 2 9 2017 RECEIVED **RECEIVED** **RECEI								
14. I hereby certify that the foregoing is	Electronic Submission #3	393540 verifie	d by the BLM WellC., sent to the C	II Informatio	n System			
	Committed to AFMSS for	processing b	JENNIFER SAN	CHEZ on 10	/31/2017 ()	///		
Name (Printed/Typed) MINDY K	KOTESKY		Title REGUL	ATORYSP	ECIALIST //	-		
Signature (Electronic S	Submission)		Date 10/31/2	017				
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE U	SE .	14		
				$-\!$	67 3 1/2017/	n Allthar		
Approved By			Title	101	\sqrt{M}	W pate		
Conditions of approval, if any, are attache certify that the applicant holds legal or equ which would entitle the applicant to condu	uitable title to those rights in the	not warrant or subject lease	Office	BUREAU CASIL	OF LAND HAR GEHA SEAD FILLY OF THEE			
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) ** OPERA	FOR-SUBMITTED ** O	PERATOR-	SUBMITTED *	* OPERA	FOR-SUBMITTED	**		

TURNER B NORTH BATTERY

API	Well Name	Well Number	Type	LEASE
30-015-26664	TURNER B	#102 —	Oil	Federal
30-015-26665	TURNER B	#103-	Oil	Federal
30-015-26696	TURNER B	#104 -	Oil	Federal
30-015-26706	TURNER B	#106	Oil	Federal
30-015-30211	TURNER B	#115	Oil	Federal
30-015-28791	TURNER B	#116	Oil	Federal
30-015-29387	TURNER B	#132	Oil	Federal
30-015-29620	TURNER B	#134	Oil	Federal
30-015-29621	TURNER B	#135	Oil	Federal
30-015-29622	TURNER B	#136-	Oil	Federal
30-015-26637	TURNER B	#094-	Oil	Federal
30-015-26612	TURNER B	#095	Oil	Federal
30-015-26618	TURNER B	#096-	Oil	Federal
30-015-26619	TURNER B	#097 —	Oil	Federal
30-015-31062	TURNER B	#127	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 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".
- 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-

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