	une 2015) UNITED STATES DEPARTMENT OF THE INTERIOR			NMOG		FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018	
BUREAU OF LAND MANAGEMENT				Artesia	P5 Lesse Serial No.		
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name			
SUBMIT IN TRIPLICATE - Other instructions on page 2				7. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well ☐ Gas Well ☐ Other					8. Well Name and No. POKER LAKE UNIT 212		
2. Name of Operator BOPCO LP E-Mail: sherry_pack@xtoenergy.com					9. API Well No. 30-015-33915		
3a. Address 500 W. ILLINOIS, SUITE 100 MIDLAND, TX 79701	3b. Phone No. (incl Ph: 432-620-67 Fx: 432-339-60	709	<u> </u>	10. Field and Pool or Exploratory Area NASH DRAW;DELAWARE/BS (AV			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State		
Sec 18 T24S R30E 660FSL 1980FEL					EDDY COUNTY, NM		
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICATE N	NATURE O	F NOTICE,	REPORT, OR OTH	IER DATA	
TYPE OF SUBMISSION TYPE OF ACTION					····		
Notice of Intent	Acidize	🗖 Deepen			ion (Start/Resume)	U Water Shut-Off	
Subsequent Report	<ul> <li>Alter Casing</li> <li>Casing Repair</li> </ul>	Hydrauli Hydrauli New Cor	c Fracturing	C Reclam		☐ Well Integrity Ø Other	
Final Abandonment Notice			_		arily Abandon	Venting and/or Flari	
_	Convert to Injection	Plug Bac			•	ng	
BOPCO LP had a venting ev as plunger lift production, we	re infeasible on this well.			U	-07		
	ARTESIA DISTRIC	ATION SE	EATTA	ACHED	FOR FAPPROVA	IL /	
	JAN 09 2018	C16	ONDITI	01/20			
	RECEIVED			RDS (		1/	
14. I hereby certify that the foregoing	Electronic Submission #3 For B	OPCO LP, sent to	o the Carlsba	d'	-1	$\mathbf{X}$	
Name (Printed/Typed) SHERRY	Committed to AFMSS for p	Titl	5	ATORY AN	1 "		
Signature (Electronic Submission)			Date 12/14/20 ACCEPTED FOR RECORD				
	THIS SPACE FO	R FEDERAL O	R STATE	office y	SE	71 K	
_Approved By		Tit	tle		DEC 21 /17/	the c	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.			fice	BUREAL	NOF LAND MAINTEEN		
Title 18 U.S.C. Section 1001 and Title 4 States any false, fictitious or fraudulen							
(Instructions on page 2) <b>** OPERA</b>	TOR-SUBMITTED ** OF	PERATOR-SU	BMITTED *		OR-SUBNITTED	** //	
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## 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. 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.</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