Form 3160-5 (June 2015)

### **UNITED STATES**

**NMOCD** Artesia

FORM APPROVED OMB NO. 1004-0137

Expires: January 31, 2018

## DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

NMLC029426B

5. Lease Serial No.

Do not use thi abandoned wei	6. If Indian, Allottee	6. If Indian, Allottee or Tribe Name		
SUBMIT IN	7. If Unit or CA/Agr	eement, Name and/or No.		
1. Type of Well			8. Well Name and No	
☑ Oil Well ☐ Gas Well ☐ Oth			H.E. WEST B 25	
<ol><li>Name of Operator LINN OPERATING, INC.</li></ol>	Contact: Mi E-Mail: MKOTESKY@	NDY K KOTESKY DLINNENERGY.COM	9. API Well No. 30-015-05059	
3a. Address 600 TRAVIS, SUITE 1400 HOUSTON, TX 77002	\ F	b. Phone No. (include area code) Ph: 281-840-4208 Fx: 832-426-5972	10. Field and Pool or GRAYBURG J	Exploratory Area ACKSON;SRQGSA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish	, State
Sec 3 T17S R31E Mer 6PM S 32.858158 N Lat, 103.851165	EDDY COUNT	Y COUNTY, NM		
12. CHECK THE A	PROPRIATE BOX(ES) TO	O INDICATE NATURE O	F NOTICE, REPORT, OR OT	HER DATA
TYPE OF SUBMISSION		ТҮРЕ О	ACTION	
Thating of Latent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☑ Notice of Intent	☐ 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
	☐ Convert to Injection	☐ Plug Back	■ Water Disposal	5
determined that the site is ready for for LINN RESPECTFULLY REQUES BATTERY DUE TO REQUES GAS.	JESTS TO FLARE FROM 1	2/27/17 TO 3/23/18 AT 97 I PLANT TO SHUT-IN BATTE	MCF/D FROM THE H E WEST ERY DUE TO HIGH NITROGE	B N CONTENT IN
PLEASE SEE ATTACHED LIS	ST FOR THE WELLS INCLU	JDED IN THIS BATTERY.		
	ARTESIA DISTR JAN 09 20	D18////CONDI	TACHED FOR TIONS OF APPRO	WAL
14. I hereby certify that the foregoing is	Committed to AFMSS for pr	ocessing by JENNIFER SAN	arispad CH/EZ on 01/02/2018 ()	
Name (Printed/Typed) MINDY K	KOTESKY	Title REGUL	ATORY SPECIALIST	
Signature (Electronic S	Submission)	Date 12/28/2	APPRO\	/EDX
	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE	
Approved By  Conditions of approval, if any, are attache	d. Approval of this notice does no	Title	BURFAU FLAND IN	2018 Transfer
certify that the applicant holds legal or equivalent would entitle the applicant to condu	uitable title to those rights in the su act operations thereon.	bject lease Office	CARLSBAD (ELD)	at a line

(Instructions on page 2)

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

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 departments on representations as to any matter within its jurisdiction.

•		,	
30-015-05061	H E WEST A	#002 Oil	Federal
-30-015-05066	_H-E-WEST A	<del>#007_Oil</del> -	-Federal_
30-015-26015	H E WEST A	#015 <b>/</b> Oil	Federal
30-015-26573	H E WEST A	#018 Oil	Federal
30-015-26790	H E WEST A	#019 Oil	Federal
30-015-26793	H E WEST A	#020/Oil	Federal
30-015-26787	H E WEST A	#021/Oil	Federal
30-015-27127	H E WEST A	#022 <b>/</b> Oil	Federal
30-015-27128	H E WEST A	#023/Oil	Federal
30-015-27368	H E WEST A	#024 Oil	Federal
30-015-27369	H E WEST A	#025 Oil	Federal
30-015-28321	H E WEST A	#026 <b>'</b> Oil	Federal
30-015-28322	H E WEST A	#027 <b>/</b> Oil	Federal
30-015-28318	H E WEST A	#028 Oil	Federal
30-015-28467	H E WEST A	#029 Oil	Federal
30-015-28465	H E WEST A	#029 Oil	Federal
30-015-28323	H F WEST A	#030 Oil	
		#031° Oil	Federal
30-015-28324	H E WEST A		Federal
30-015-28325	H E WEST A	#033 Oil	Federal
30-015-28536	H E WEST A	#034 <b>O</b> il	Federal
30-015-26049	H E WEST B	#043 <b>/</b> Oil	Federal
30-015-26099	H E WEST B	#045/Oil	Federal
30-015-27148	H E WEST B	#053 Oil	Federal
30-015-27150	H E WEST B	#054 Oil	Federal
30-015-27564	H E WEST B	#062 <b>^</b> Oil	Federal
30-015-27480	H E WEST B	#063 Oil	Federal
30-015-27402	H E WEST B	#064 Oil	Federal
30-015-28132	H E WEST B	#073 Oil	Federal
30-015-28264	H E WEST B	#074 Oil	Federal
30-015-28466	H E WEST B	#076 <b>/</b> Oil	Federal
30-015-28314	H E WEST B	#077 Oil	Federal
30-015-28315	H E WEST B	#079 <b>O</b> il	Federal
30-015-28299	H E WEST B	#080 Oil	Federal
30-015-28316	H E WEST B	#081 Oil	Federal
30-015-28483	H E WEST B	#083 <b>~</b> Oil	Federal
30-015-28300	H E WEST B	#084/Oil	Federal
30-015-28388	H E WEST B	#086 Oil	Federal
30-015-28468	H E WEST B	#087 Oil	Federal
30-015-28537	H E WEST B	#088 <b>/</b> Qil	Federal
30-015-28565	H E WEST B	#089 Oil	Federal
30-015-28470	H E WEST B	#091 Oil	Federal
30-015-28538	H E WEST B	#092 <b>O</b> jil	Federal
30-015-05059	H E WEST B	#025 <b>O</b> il	Federal
30-015-25921	H E WEST B	#031 <b>O</b> il	Federal
30-015-25989	H E WEST B	#034 <b>O</b> il	Federal
30-015-26033	H E WEST B	#041 <b>O</b> il	Federal
30-015-26044	H E WEST B	#042 Øil	Federal
30 010 20077			

### H.E. WEST B2 BATTERY

30-015-26791	H E WEST B	#049 <b>O</b> il	Federal
30-015-27109	H E WEST B	#050 Oil	Federal
30-015-27110	H E WEST B	#051 <b>/</b> Oil	Federal
30-015-27149	H E WEST B	#052 <b>/</b> Oil	Federal
30-015-27353	H E WEST B	#056 <b>Ö</b> il	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 <b>O</b> il	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 <b>^</b> Oil	Federal 🖊
30-015-28535	H E WEST B	#069 <b>~</b> Oil	Federal 🖊
30-015-28574	H E WEST B	#070 <b>/</b> Oil	Federal -
30-015-28573	H E WEST B	#071 <b>/</b> 0jl	Federal
30-015-28466	H E WEST B	#076 <b>-</b> 0il	Federal
30-015-28387	H E WEST B	#085 <b>⁄</b> 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".
- 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 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.
  - 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-

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