Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT NMOCD Artesia

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

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.					NMLC028784C 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. NMNM88525X	
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other					8. Well Name and No. BURCH KEELY UNIT 202	
Name of Operator Contact: DANA KING COG OPERATING LLC E-Mail: dking@concho.com					9. API Well No. 30-01 5-2995 5	
3a. Address ONE CONCHO CENTER, 600 W ILLINOIS AVE MIDLAND, TX 79701 3b. Phone No. (include area code) Ph: 432-818-2267					Field and Pool or Exploratory Area BKU;GLORIETTA-UPPER YESO	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T17S R29E Mer NMP 1980FNL 1295FWL					11. County or Parish, State EDDY COUNTY, NM	
12. CHECK THE AI	PPROPRIATE BOX(ES) T	O INDICATI	E NATURE OI	F NOTICE, R	EPORT, OR OTH	HER DATA
TYPE OF SUBMISSION	TYPE OF ACTION					
☑ Notice of Intent	☐ Acidize ☐ D ☐ Alter Casing ☐ H		n ulic Fracturing	☐ Production (Start/Resume) ☐ Reclamation		☐ Water Shut-Off ☐ Well Integrity
☐ Subsequent Report ☐ Final Abandonment Notice	□ Casing Repair□ Change Plans	_	Construction nd Abandon	☐ Recomple		☑ Other Venting and/or Flari ng
10 D 1 D 1 C 1 10	Describe Proposed or Completed Operation: Clearly state all pertinent details, inclu			☐ Water Disposal		
If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Al determined that the site is ready for fi	ally or recomplete horizontally, g k will be performed or provide the operations. If the operation resupandonment Notices must be filed	ive subsurface loo he Bond No. on fi alts in a multiple o	cations and measuralle with BLM/BIA completion or recompletion.	red and true vert Required subsempletion in a ne	cal depths of all pertine equent reports must be winterval, a Form 316	ent markers and zones. filed within 30 days 0-4 must be filed once
COG OPERATING LLC RESP 23, T17S, R29E.	PECTFULLY REQUEST TO	O FLARE AT 1	THE BURCH K	EELY UNIT S	SATELLITE E BAT	
NUMBER OF WELLS TO FLARE: (99)						30-015-32716
NM OIL CONDISTRICT						
PLEASE SEE ATTACHED WELL LIST 101 07 2017 SEE ATTACHED						
FROM 10/3/2017 TO 1/1/2018 CONDITIONS OF APPROVAL RECEIVED						
Please out wells:	\	/ ^	emove	phas	al wells	from list
14. I hereby certify that the foregoing is	Electronic Submission #38 For COG OF Committed to AFMSS for p	PERATING LLC Processing by J	, sent to the Ca ENNIFER SANC	rlsbad CHEZ on 10/11	/2017 ()	
Name (Printed/Typed) DANA KING Title				PING CONT	ACT //	/
Signature (Electronic Submission) Da				017		
	THIS SPACE FOI	R FEDERAL	OR STATE (OFFICEUS	51/47)	1
_Approved By			Title /	6 OY.	/ 0017	Date
Conditions of approval, if any, are attache certify that the applicant holds legal or equ which would entitle the applicant to conduct the conduction of the	subject lease	Office	OCT(1)	× 2017	1/20	
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a custatements or representations as to	rime for any person o any matter with	on knowingly But in its jurisdiction.	MARINISMO ANAI CARLSBAD FI	FLD OFFICE	gency of the United

Additional data for EC transaction #389676 that would not fit on the form

32. Additional remarks, continued

BBLS OIL/DAY: 150 MCF/DAY: 1200

REASON: UNPLANNED MIDSTREAM CURTAILMENT PLANT MAINTENANCE

BURCH-KEELY UNIT #292 30-015-29955-00-ST

BURCH-KEELY UNIT #341/30-015-32716-00-S1 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 BURCH-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 BURCH-KEELY UNIT #850/30-015-40375-00-BURCH-KEELY UNIT #85 30-015-21663-00-S1 BURCH-KEELY UNIT #409 30-015-39547-00-S01 BURCH-KEELY UNIT #632 30-015-40327-00-BURCH-KEELY UNIT #252 \$0-015-28464-00-S1 BURCH-KEELY UNIT #167-30-015-03117-00-S1 BURCH-KEELY UNIT #727.50-015-38652-00-BURCH-KEELY UNIT #375 30-015-33794-00-S1 BURCH-KEELY UNIT #254 30-015-28585-00-S1 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 80-015-03130-00-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 #232-50-015-27992-00-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-\$1 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 #610,20-015-40703-00-

NMNM 88525X

0 8BD

ABD

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BURCH-KEELY UNIT #333 (SA) 30-015-32699-00-S02
   BURCH-KEELY UNIT #724.20-015-38480-00-
   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 #266-50-015-28886-00-S1
   BURCH-KEELY UNIT #300 50-015-30791-00-S1
   BURCH-KEELY UNIT #60030-015-40883-00-
   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 #302-50-015-30632-00-S1
   BURCH-KEELY UNIT #217-30-015-27680-00-S1
   BURCH-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 80-015-38651-00-S1
   BURCH-KEELY UNIT #214 80-015-27607-00-S1
   BURCH-KEELY UNIT #248/30-015-28582-00-S1
  BURCH-KEELY UNIT #120 30-015-03052-00-ST
   BURCH-KEELY-UNIT-#130-39-015-03118-00-ST
   BURCH-KEELY UNIT #607 39-015-40320-00-
   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 #61230-015-38479-00-S01
BURCH-KEELY UNIT #124 30-015-24415-00-S1
   BURCH-KEELY UNIT #356-30-015-32920-00-S1
   BURCH-KEELY UNIT #278 20-015-29809-00-S1
   BURCH-KEELY UNIT #216/30-015-27574-00-S1
   BURCH-KEELY UNIT #345/30-015-32713-00-S1
   BURCH-KEELY UNIT #75-50-015-03041-00-S1
   BURCH-KEELY UNIT #90130-015-40886-00-
   BURCH-KEELY UNIT #80/30-0/15-21660-00-S1
   BURCH-KEELY UNIT #169 20-015-22573-00-S1
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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 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

- 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-

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