

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOC D
HOBBS OGD

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.

AUG 11 2017

5. Lease Serial No.
NMNM19858

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES INCORPORATED
Contact: LORI J NUGENT
E-Mail: Lori_Nugent@eogresources.com

3a. Address
MIDLAND, TX 79702

3b. Phone No. (include area code)
Ph: 432-686-3670

8. Well Name and No.
HAWK 25 FEDERAL 1H

9. API Well No.
30-025-41494-00-S1

10. Field and Pool or Exploratory Area
RED HILLS

11. County or Parish, State
LEA COUNTY, NM

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 25 T24S R33E SWSW 250FSL 990FWL
32.181890 N Lat, 103.530907 W Lon

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Venting and/or Flaring
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days 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.

EOG Resources, Inc. contacted Jennifer Sanchez with the BLM on 12/14/2016 regarding flare sundries that inadvertently had not been filed from 3/2013 - 6/2016. EOG Resources, Inc. reviewed files to determine flare volumes and reasons for flaring. Ms. Sanchez asked that EOG Resources, Inc. submit one sundry for each lease listing all volumes flared for the time period stated. EOG Resources, Inc. is reviewing other lease files and will submit other sundries as these reviews are complete.

EOG Resources, Inc. respectfully requests royalty free flare dispositions under NTL 4A.

See attached Exhibit A for detailed flare information

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #368750 verified by the BLM Well Information System
For EOG RESOURCES INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 03/06/2017 (17PP0317SE)

Name (Printed/Typed) LORI J NUGENT Title PREPARER

Signature (Electronic Submission) Date 03/03/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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.

Office _____

ACCEPTED FOR RECORD
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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)

** BLM REVISED **

Accepted for Record Only

MJB/ocd 8/16/2017

Additional data for EC transaction #368750 that would not fit on the form

32. Additional remarks, continued

See attached Exhibit B for additional well/lease information

ATTACHMENT - EXHIBIT B

5. Lease Serial No., continued

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location	Type	Field/Pool	County	State
	NMNM19858	HAWK 25 FED 1H	30-025-41494-00-S1	SEC 25 T24S R33E SWSW 250 FSL 900 FWL	OIL	RED HILLS	LEA	NM ✓
	NMNM19858	HAWK 25 FED 2H	30-025-41419-00-S1	SEC 25 T24S R33E SWSW 250 FSL 1020 FWL	OIL	RED HILLS	LEA	NM ✓
	NMNM19858	HAWK 35 FED 7H	30-025-42410-00-S1	SEC 35 T24S R33E NWNE 500 FNL 2007 FEL	OIL	RED HILLS	LEA	NM ✓
	NMNM19858	HAWK 35 FED 8H	30-025-42411-00-S1	SEC 35 T24S R33E NWNE 500 FNL 1977 FEL	OIL	RED HILLS	LEA	NM ✓
	NMNM19858	HAWK 35 FED 9H	30-025-42412-00-S1	SEC 35 T24S R33E NENE 500 FNL 723 FEL	OIL	RED HILLS	LEA	NM ✓
	NMNM19858	HAWK 35 FED 10H	30-025-42413-00-S1	SEC 35 T24S R33E NENE 500 FNL 693 FEL	OIL	RED HILLS	LEA	NM ✓
	NMNM19858	TRISTE DRAW 35 FED 02	30-025-34700-00-S1	SEC 35 T24S R33E SENE 2310 FNL 660 FEL	OIL	JOHNSON RANCH	LEA	NM ✓

ATTACHMENT - EXHIBIT A
 AGREEMENT
 LEASE

NMNM19858

EQUIPMENT NAME
 HAWK FALCON FL 1 60387026

To the best of my knowledge, this Flare meter is located on lease and is one of seven flare meters on this lease during this time period

WELLS		VOLUME		REASON	GAS SALES
HAWK 25 FED 1H	5/2013	14 Flare 2 days	1 hr	Unavoidable Loss / clean out and pressure test lines / IP 5/29/2014	206
	6/2014	3,082 Flare 10 days	132.5 hrs	Unavoidable Loss / New well IP 6/9/2014	52,513
	7/2014	16,916 Flare 24 days	526 hrs	Unavoidable Loss / High Line Pressure	64,560
	8/2014	5,576 Flare 30 days	349 hrs	Unavoidable Loss / High Line Pressure	59,032
	9/2014	29,976 Flare 30 days	708 hrs	Unavoidable Loss / High Line Pressure	40,129
	10/2014	30,211 Flare 31 days	732 hrs	Unavoidable Loss / High Line Pressure	35,201
	11/2014	30,361 Flare 30 days	719 hrs	Unavoidable Loss / High Line Pressure	22,224
	12/2014	19,655 Flare 31 days	722 hrs	Unavoidable Loss / High Line Pressure	27,697
	1/2015	3,375 Flare 12 days	130 hrs	Unavoidable Loss / High Line Pressure	44,916
	2/2015	2,006 Flare 14 days	49 hrs	Unavoidable Loss / High Line Pressure / Compressor problems	37,419
	3/2015	3,584 Flare 18 days	78 hrs	Unavoidable Loss	40,237
	4/2015	6,612 Flare 29 days	558 hrs	Unavoidable Loss	38,344
	6/2015	66 Flare 17 days	22 hrs	Unavoidable Loss	3,908
	8/2015	2,507 Flare 17 days	408 hrs	Unavoidable Loss / Pipeline issues / Compressor issues	4,525
	9/2015	274 Flare 4 days	7 hrs	Unavoidable Loss / High Line Pressure / Compressor problems	18,293
	10/2015	541 Flare 6 days	17 hrs	Unavoidable Loss	15,731
	11/2015	2,656 Flare 5 days	60 hrs	Unavoidable Loss	25,327
	12/2015	2,014 Flare 11 days	59 hrs	Unavoidable Loss	28,406
	1/2016	1,371 Flare 7 days	53 hrs	Unavoidable Loss	27,255
	2/2016	67 Flare 7 days	53 hrs	Unavoidable Loss	23,800
4/2016	92 Flare 26 days	15 hrs	Unavoidable Loss	24,587	

HAWK 25 FED 2H	5/2013	27 Flare 2 days	1 hr	Unavoidable Loss / clean out and pressure test lines / IP 5/29/2014	392
	6/2014	3,124 Flare 10 days	132.5 hrs	Unavoidable Loss / New well IP 6/9/2014	53,227
	7/2014	16,794 Flare 24 days	526 hrs	Unavoidable Loss / High Line Pressure	64,094
	8/2014	5,986 Flare 30 days	349 hrs	Unavoidable Loss / High Line Pressure	63,364
	9/2014	34,884 Flare 30 days	708 hrs	Unavoidable Loss / High Line Pressure	46,700
	10/2014	34,759 Flare 31 days	732 hrs	Unavoidable Loss / High Line Pressure	40,500
	11/2014	35,322 Flare 30 days	719 hrs	Unavoidable Loss / High Line Pressure	25,855
	12/2014	22,677 Flare 31 days	722 hrs	Unavoidable Loss / High Line Pressure	31,955
	1/2015	3,597 Flare 12 days	130 hrs	Unavoidable Loss / High Line Pressure	47,872
	2/2015	2,066 Flare 14 days	49 hrs	Unavoidable Loss / High Line Pressure / Compressor problems	38539
	3/2015	2,887 Flare 18 days	78 hrs	Unavoidable Loss	32415
	4/2015	5,950 Flare 29 days	558 hrs	Unavoidable Loss	34503
	6/2015	60 Flare 17 days	22 hrs	Unavoidable Loss	3535
	8/2015	1,456 Flare 17 days	408 hrs	Unavoidable Loss / Pipeline issues / Compressor issues	2628
	9/2015	229 Flare 4 days	7 hrs	Unavoidable Loss / High Line Pressure / Compressor problems	15263
	10/2015	646 Flare 6 days	17 hrs	Unavoidable Loss	18806
	11/2015	2,426 Flare 5 days	60 hrs	Unavoidable Loss	23131
	12/2015	1,825 Flare 11 days	59 hrs	Unavoidable Loss	25753
	1/2016	1,740 Flare 7 days	53 hrs	Unavoidable Loss	34591
	2/2016	104 Flare 7 days	53 hrs	Unavoidable Loss	37204
4/2016	154 Flare 26 days	15 hrs	Unavoidable Loss	41276	

EQUIPMENT NAME
 HAWK 35 FED HP FL 60387058
 HAWK 35 FED LP FLARE 60387059
 HAWK 35 FED 7H TEMP FLARE

To the best of my knowledge, these Flare meters are located on lease and are three of seven flare meters on this lease during this time period

WELLS		VOLUME		REASON	GAS SALES
HAWK 35 FED 7H	7/2015	6120 Flare 5 days	120 hrs	Unavoidable loss / compressor issues IP 7/20/2015	0
	8/2015	775 Flare 17 days	408 hrs	Unavoidable loss / pipeline issues / sales line shut in / compressor issues	3622
	9/2015	2176 Flare 4 days	96 hrs	Unavoidable loss / high line pressure / compressor issues	3773
	10/2015	2417 Flare 14 days	336 hrs	Unavoidable loss / compressor issues	61507
	11/2015	285 Flare 17 days	408 hrs	Unavoidable loss / compressor issues	75645
	12/2015	555 Flare 28 days	672 hrs	Unavoidable loss / compressor issues	60401
	1/2016	448 Flare 25 days	390 hrs	Unavoidable loss	51973
	2/2016	59 Flare 21 days	53.4 hrs	Unavoidable loss	40516
	3/2016	15 Flare 16 days	12.6 hrs	Unavoidable loss	43293
	4/2016	20 Flare 21 days	15 hrs	Unavoidable loss	40801
	5/2016	12 Flare 19 days	9.3 hrs	Unavoidable loss	40249

EQUIPMENT NAME
 HAWK 35 FED HP FL 60387058
 HAWK 35 FED LP FLARE 60387059
 HAWK 35 FED 8H TEMP FLARE

To the best of my knowledge, these Flare meters are located on lease and are three of seven flare meters on this lease during this time period

WELLS		VOLUME		REASON	GAS SALES
HAWK 35 FED 8H	7/2015	8948 Flare 5 days	120 hrs	Unavoidable loss / compressor issues IP 7/19/2015	0

8/2015	5341	Flare 17 days	408 hrs	Unavoidable loss / pipeline issues / sales line shut in / compressor issues	24974
9/2015	3776	Flare 4 days	96 hrs	Unavoidable loss / high line pressure / compressor issues	6546
10/2015	2443	Flare 14 days	336 hrs	Unavoidable loss / compressor issues	62173
11/2015	331	Flare 17 days	408 hrs	Unavoidable loss / compressor issues	87882
12/2015	658	Flare 28 days	672 hrs	Unavoidable loss / compressor issues	71537
1/2016	550	Flare 25 days	390 hrs	Unavoidable loss	63759
2/2016	80	Flare 21 days	53.4 hrs	Unavoidable loss	55244
3/2016	20	Flare 16 days	12.6 hrs	Unavoidable loss	56784
4/2016	25	Flare 21 days	15 hrs	Unavoidable loss	51024
5/2016	17	Flare 19 days	9.3 hrs	Unavoidable loss	54009

EQUIPMENT NAME

HAWK 35 FED HP FL 60387058
HAWK 35 FED LP FLARE 60387059
HAWK 35 FED 9H TEMP FLARE

To the best of my knowledge, these Flare meters are located on lease and are three of seven flare meters on this lease during this time period

WELLS

HAWK 35 FED 9H	7/2015	27259	Flare 5 days	120 hrs	Unavoidable loss / compressor issues IP 7/19/2015	7357
	8/2015	10571	Flare 17 days	408 hrs	Unavoidable loss / pipeline issues / sales line shut in / compressor issues	49430
	9/2015	5290	Flare 4 days	96 hrs	Unavoidable loss / high line pressure / compressor issues	9172
	10/2015	2511	Flare 14 days	336 hrs	Unavoidable loss / compressor issues	63905
	11/2015	358	Flare 17 days	408 hrs	Unavoidable loss / compressor issues	94979
	12/2015	701	Flare 28 days	672 hrs	Unavoidable loss / compressor issues	76256
	1/2016	563	Flare 25 days	390 hrs	Unavoidable loss	65248
	2/2016	81	Flare 21 days	53.4 hrs	Unavoidable loss	55992
	3/2016	22	Flare 16 days	12.6 hrs	Unavoidable loss	60629
	4/2016	28	Flare 21 days	15 hrs	Unavoidable loss	56942
	5/2016	17	Flare 19 days	9.3 hrs	Unavoidable loss	55158

EQUIPMENT NAME

HAWK 35 FED HP FL 60387058
HAWK 35 FED LP FLARE 60387059
HAWK 35 FED 10H TEMP FLARE

To the best of my knowledge, these Flare meters are located on lease and are three of seven flare meters on this lease during this time period

WELLS

HAWK 35 FED 10H	7/2015	31668	Flare 5 days	120 hrs	Unavoidable loss / compressor issues IP 7/19/2015	7357
	8/2015	18672	Flare 17 days	408 hrs	Unavoidable loss / pipeline issues / sales line shut in / compressor issues	87311
	9/2015	5572	Flare 4 days	96 hrs	Unavoidable loss / high line pressure / compressor issues	9661
	10/2015	2631	Flare 14 days	336 hrs	Unavoidable loss / compressor issues	66966
	11/2015	370	Flare 17 days	408 hrs	Unavoidable loss / compressor issues	98020
	12/2015	738	Flare 28 days	672 hrs	Unavoidable loss / compressor issues	80313
	1/2016	585	Flare 25 days	390 hrs	Unavoidable loss	67764
	2/2016	84	Flare 21 days	53.4 hrs	Unavoidable loss	58342
	3/2016	22	Flare 16 days	12.6 hrs	Unavoidable loss	62064
	4/2016	29	Flare 21 days	15 hrs	Unavoidable loss	59485
	5/2016	18	Flare 19 days	9.3 hrs	Unavoidable loss	59253

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 temporary emergency flare 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.
 - 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**;
<https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=dbd49eda8cdc488870172ed096d47be9&ty=HTML&h=L&mc=true&n=sp43.2.3170.3179&r=SUBPART>