

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Expires: July 31, 20 5. Lease Serial No. NMNM99147

DOKENO OF LAND MANAGEMENT	
SUNDRY NOTICES AND REPORTS ON WELLS	Artesia
and use this form for proposals to drill or to re-enter:	าก

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

abandoned wel	i. Use form 3160-3 (AP	v) for such [oroposais.				
SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Agreement, Name and/or No. NMNM127107		
Type of Well Gas Well □ Other					8. Well Name and No. SHOWSTOPPER 17/FEDERAL COM 9H		
2. Name of Operator Contact: BRIAN MAIORING COG OPERATING LLC E-Mail: bmaiorino@concho.com				_	9. API Well No. 30-015-37836-00-S1		
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701 3b. Phone No. Ph.: 432-23			o. (include area code 21-0467)	10. Field and Pool, or Exploratory WILLOW LAKE		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T25S R29E SESE 150FSL 150FEL					11. County or Parish, and State EDDY COUNTY, NM		
12. CHECK APPI	ROPRIATE BOX(ES) TO) INDICATI	E NATURE OF	NOTICE, F	EPORT, OR OTHER	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent □ Subsequent Report			epen eture Treat w Construction	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete		□ Water Shut-Off □ Well Integrity ☑ Other	
☐ Final Abandonment Notice	Change Plans Convert to Injection		g and Abandon g Back	☐ Tempo	orarily Abandon Disposal	Venting and/or Flari	
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG Operating LLC respectful	Illy or recomplete horizontally, k will be performed or provide operations. If the operation re- landonment Notices shall be file and inspection.)	give subsurface the Bond No. o sults in a multip ed only after all	locations and measin file with BLM/BI/ le completion or rec requirements, include	ared and true of the control of the	vertical depths of all pertine ubsequent reports shall be i new interval, a Form 3160 on, have been completed, a	ent markers and zones. filed within 30 days 0-4 shall be filed once	
From 2/29/16 to 5/29/16 # of wells to flare: 1, 30-015-3		ADICTRICT			•	233	
BBLS oil/day: 14 mcf/day: 500	MAR 2 9 2015 SEE ATTACHED CONDITIONS C) FOR F APPROVA	L ·		
Reason: unplanned gas curtai	REC	EIVED					
14. I hereby certify that the foregoing is	Electronic Submission #3	PERATING L	C, sent to the C	arisbad	· / /		
Name (Printed/Typed) BRIAN MA	MORINO		Title AUTHO	RIZED RE	PRESENTATIVE		
Signature (Electronic Submission)		Date 03/01/2	016	AYTHUS			
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE U	JSE / MAR 1 <u>8</u> /	2016/	
Approved By Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conduct to conduct the conduct to conduct the conduct to conduct the	itable title to those rights in the ct operations thereon.	subject lease	Title Office	116.11	DIVEAS (A. A. A	PANI	
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s					lake to any department or a	gency of the Onlinea	

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

Condition of Approval to Flare Gas

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.