Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD

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O	MB	NO.	1004	4-013
Ex	nire	s: Ir	ily 31	. 201

5. Lease Serial No. NMNM115411

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use the						
abandoned we	6. If Indian, Allottee or Tribe Name					
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.					
I. Type of Well ☑ Oil Well ☐ Gas Well ☐ Oth	8. Well Name and No. REALLY SCARY FED COM 3H					
2. Name of Operator COG OPERATING LLC	9. API Well No. 30-015-36372					
3a. Address ONE CONCHO CENTER 600 MIDLAND, TX 79701	W. ILLINOIS AVE 3b. Phone Ph: 432	No. (include area code) -221-0467		10. Field and Pool, or Exploratory WILLOW LAKE; BONE SPRING		
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			11. County or Parish, and State		
Sec 33 T24S R28E SESW 43	0FSL 2310FWL			EDDY COUNTY, NM		
12. CHECK APPI	ROPRIATE BOX(ES) TO INDICA	TE NATURE OF N	OTICE, RE	PORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	Acidize 🔲 I	Реереп	□ Producti	on (Start/Resume)	■ Water Shut-Off	
_	☐ Alter Casing ☐ F	racture Treat	☐ Reclama	tion	■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair ☐ N	lew Construction	□ Recomp	lete	Other	
☐ Final Abandonment Notice	☐ Change Plans ☐ F	lug and Abandon	Tempora	rily Abandon	Venting and/or Flari	
·	☐ Convert to Injection ☐ F	lug Back	■ Water D	isposal		
determined that the site is ready for fi COG Operating LLC respectfu From 2/29/16 to 5/29/16 # of wells to flare: 5	illy request to flare at the Really Sca	·	ng rectamation	NM OIL C	CONSERVATION SIA DISTRICT	
REALLY SCARY FED 5H 30-015-40241 REALLY SCARY FED COM 2H 30-015-41411 REALLY SCARY FED 6H 30-015-42663 REALLY SCARY FED 4H 30-015-41670 REALLY SCARY FED COM 3H 30-015-36372 REALLY SCARY FED COM 3H 30-015-36372 REALLY SCARY FED COM 3H 30-015-36372 CONDITIONS OF APPROXIMED						
BBLS oil/day: 120		-	<u>-</u>	·K	copts of the technical form	
14. I hereby certify that the foregoing is	Electronic Submission #332624 veri For COG OPERATING Committed to AFMSS for procession	LLC, sent to the Can ng by DINAH NEGRE	dsbad TE on 03/03/2	7 1	(4128)16	
Name (Printed/Typed) BRIAN MA	iiORINO .	Title AUTHOR	RIZED KEPI	RESENTATIVE	} / //	
Signature (Electronic S		Date 03/01/20		· / · · · · · · · · · · · · · · · · · ·		
	THIS SPACE FOR FEDEI	RAL OR STATE C			<u> </u>	
Approved By	. 	Title		JUN 1 6 2016	Date MAN	
certify that the applicant holds legal or equivalent would entitle the applicant to conduct		Office	Q ARI	OF LAND M INSENSES SBAD FIEL WITE CE		
	J.S.C. Section 1212, make it a crime for any tatements or representations as to any matter		villfully to mak	e to any department or a	gency of the United	

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.
- 9. 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.