UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

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

5. Lease Serial No. NMNM115411

SUNDRY NOTICES AND REPORTS ON WELLS

abandoned we	6. If Indian, Allottee	If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. NMNM126700			
SUBMIT IN TRI	7. If Unit or CA/Agre NMNM126700				
I. Type of Well	8. Well Name and No				
☑ Oil Well 📋 Gas Well 🔲 Oth	MultipleSee Att	ached			
2. Name of Operator COG OPERATING LLC	9. API Well No. Multiple-See A	attached			
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701		3b. Phone No. (include area code) Ph: 432-221-0467 BONE SPRINGS WILLOW LAKE			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish,	11. County or Parish, and State	
Multiple-See Attached	•	EDDY COUNT	Y, NM		
12. CHECK APPI	ROPRIATE BOX(ES) TO INI	DICATE NATURE OF	NOTICE, REPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	,	ТҮРЕ О	F ACTION		
Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing	☐ Fracture Treat	□ 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		
COG Operating LLC respectful From 5/29/16 to 8/27/16 # of wells to flare: 5 REALLY SCARY FED 5H 30-0 REALLY SCARY FED 6H 30-0 REALLY SCARY FED 4H 30-0 REALLY SCARY FED COM 3H BBLS oil/day: 120	015-40241 H 30-015-41411 015-42663 015-41670 H 30-015-36372	IM OIL CONSERVA ARTESIA DISTRIC		R PROVAL	
	NMSCD AF	66128116	***		
14. I hereby certify that the foregoing is Com	Electronic Submission #34130	TING LLC, sent to the Ca	arlsbad / /		
	Electronic Submission #34130 For COG OPERA mitted to AFMSS for processing	TING LLC, sent to the Ca by PRISCILLA PEREZ of	arlsbad / /		
Com	Electronic Submission #34130 For COG OPERA mitted to AFMSS for processing IORINO	TING LLC, sent to the Ca by PRISCILLA PEREZ of	arisbad n 06/10/2016 (16PP1439SE) DRIZED REPRESENTATIVE		
Com Name(Printed/Typed) BRIAN MA	Electronic Submission #34130 For COG OPERA mitted to AFMSS for processing IORINO	TING LLC, sent to the Cap by PRISCILLA PEREZ of Title AUTHO Date 06/07/2	arlsbad n 06/10/2016 (16PP1439SE) PRIZED REPRESENTATIVE		
Com Name(Printed/Typed) BRIAN MA	Electronic Submission #34130 For COG OPERA mitted to AFMSS for processing IORINO ubmission)	TING LLC, sent to the Cap by PRISCILLA PEREZ of Title AUTHO Date 06/07/2	orisbad n 06/10/2016 (16PP1439SE) PRIZED REPRESENTATIVE 016 OFFICE USE	016 Date	

Additional data for EC transaction #341304 that would not fit on the form

Wells/Facilities, continued

Agreement NMNM115411 NMNM126700	NMNM115411	Well/Fac Name, Number REALLY SCARY FEDERAL 6H REALLY SCARY FEDERAL COM	APi Number 30-015-42663-00-S1 1300-015-36372-00-S1	Location Sec 33 T24S R28E NWNW 360FNL 380FWL Sec 33 T24S R28E SESW 430FSL 2310FWL 32.167730 N Lat. 104.093480 W Lon
NMNM126700	NMNM115411	REALLY SCARY FEDERAL COM	1 290 -015-41411-00-S1	Sec 33 T24S R28E SESW 190FSL 1683FWL 32,166906 N Lat. 104,095090 W Lon
NMNM115411	NMNM115411	REALLY SCARY FEDERAL 4H	30-015-41670-00-S1	Sec 33 T24S R28E SWSE 250FSL 2293FEL
NMNM115411	NMNM115411	REALLY SCARY FEDERAL 5H	30-015-40241-00-S1	32,167068 N Lat, 104,090734 W Lon Sec 33 T24S R28E SESE 380FSL 990FEL

32. Additional remarks, continued

mcf/day: 600

Reason: unplanned gas curtailment

Revisions to Operator-Submitted EC Data for Sundry Notice #341304

Operator Submitted

Sundry Type:

FLARE NOI

Lease:

NMNM115411

Agreement:

Operator:

COG OPERATING LLC ONE CONCHO CENTER 600 W. ILLINOIS AVE MIDLAND, TX 79701 Ph: 432-221-0467

Admin Contact:

BRIAN MAIORINO AUTHORIZED REPRESENTATIVE E-Mail: bmaiorino@concho.com

Ph: 432-221-0467

Tech Contact:

BRIAN MAIORINO

AUTHORIZED REPRESENTATIVE E-Mail: bmaiorino@concho.com

Ph: 432-221-0467

Location:

State: County: NM **EDDY**

Field/Pool:

WILLOW LAKE; BONE SPRING

Well/Facility:

REALLY SCARY FED COM 3H

Sec 33 T24S R28E SESW 430FSL 2310FWL

BLM Revised (AFMSS)

FLARE NOI

NMNM115411

NMNM126700 (NMNM126700)

COG OPERATING LLC 600 W ILLINOIS AVENUE MIDLAND, TX 79701 Ph: 432.685.4385

BRIAN MAIORINO AUTHORIZED REPRESENTATIVE E-Mail: bmaiorino@concho.com

Ph: 432-221-0467

BRIAN MAIORINO

AUTHORIZED REPRESENTATIVE E-Mail: bmaiorino@concho.com

Ph: 432-221-0467

NM EDDY

BONE SPRINGS WILLOW LAKE

REALLY SCARY FEDERAL 6H

Sec 33 T24S R28E NWNW 360FNL 380FWL

REALLY SCARY FEDERAL COM 3H Sec 33 T24S R28E SESW 430FSL 2310FWL 32.167730 N Lat, 104.093480 W Lon REALLY SCARY FEDERAL COM 2H Sec 33 T24S R28E SESW 190FSL 1683FWL 32.166906 N Lat, 104.095090 W Lon REALLY SCARY FEDERAL 4H Sec 33 T24S R28E SWSE 250FSL 2293FEL 32.167068 N Lat, 104.090734 W Lon REALLY SCARY FEDERAL 5H Sec 33 T24S R28E SESE 380FSL 990FEL

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.