Form 3160-5 (August 2007)

## 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. NMLC031844

**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.				6. If Indian, Allottee o	т Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				7. If Unit or CA/Agree NMNM134224	ement, Name and/or No.
I. Type of Well				8. Well Name and No.	SEDERAL COMOU
Ø Oil Well ☐ Gas Well ☐ Other					FEDERAL COM 8H
Name of Operator Contact: KANICIA CASTILLO COG OPERATING LLC E-Mail: kcastillo@concho.com				9. API Well No. 30-015-42015-0	0-S1
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701		b. Phone No. (include at h: 432-685-4332	ea code)	10. Field and Pool, or FREN	Exploratory
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, and State	
Sec 1 T17S R31E SWSW 990FSL 150FWL 32.857419 N Lat, 103.831280 W Lon				EDDY COUNTY	, NM
12. CHECK APPI	ROPRIATE BOX(ES) TO I	NDICATE NATUR	E OF NOTICE, R	EPORT, OR OTHER	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent     ■     Notice of Intent     Not	☐ Acidize	Deepen	☐ Produc	tion (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Fracture Treat	☐ Reclan	nation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construct	ion 🔲 Recom	plete	Other
☐ Final Abandonment Notice	□ Change Plans	□ Plug and Aban	don 🔲 Tempo	rarily Abandon	Venting and/or Flari
	☐ Convert to Injection	Plug Back	■ Water I	Disposal	6
determined that the site is ready for fi COG Operating LLC, respectfi Number of wells to flare: (1) Shiner Bock 1 Federal Com 8t 120 Oil	ally request to flare at the Sh	iner Bock 1 Federal	Com 8H Battery.		NM OIL CONSER
210 MCF Requesting 90 flare approval from 6/14/16 to 9/12/16.  Due to: Midstream curtailment  SEE ATTACHE				ED FOR	JUN 28 20
•		CON	IDITIONS	OF APPROV	AL RECEIVED
		A	NAME CONTRACTOR	ABURATURA	<u></u>
14. I hereby certify that the foregoing is	Electronic Submission #3420	RATING LLC, sent to	the Carlsbad	· ///	// .
Name(Printed/Typed) KANICIA CASTILLO Title PREPARER					
Signature (Electronic Submission)			6/14/2016	THUXED	
	THIS SPACE FOR	FEDERAL OR ST	ATE OFFICE M	SNF 1/5 2016	h
Approved By  Conditions of approval, if any, are attached bertify that the applicant holds legal or equivalent to conduct the applicant the applica	itable title to those rights in the sub		CARL!	SBA FINIOFFYE	A Post
Fitle 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent si	J.S.C. Section 1212, make it a crim	e for any person knowin	by and willfully to ma	ake 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.
- 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.