Form 3760-5 (June 2015)

UNITED STATES, DEPARTMENT OF THE INTERPORT OF THE INTERPO

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

| SUNDRY NOTICES AND REPORTS OF VENES Do not use this form for proposals to drill or to re-enter all ODDS abandoned well. Use form 3160-3 (APD) for such proposals. | | | | | Celease Serial No. NMNM123528 | |
|--|----------------------|----------|------------------------|----------|--|--------------------------------------|
| | | | | | 6. If Indian, Allottee or Tribe Name | |
| SUBMIT IN TRIPLICATE - Other instructions on page 2 | | | | | 7. If Unit or CA/Agreement, Name and/or No. NMNM137689 | |
| I. Type of Well Gas Well Other | | | | | Well Name and No. SEBASTIAN FED | ERAL COM 2H |
| 2. Name of Operator Contact: CATHY SEELY COG OPERATING LLC E-Mail: CSEELY@CONCHO.COM | | | | | 9. API Well No. 30-025-41666-00-S1 | |
| 3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701-4287 3b. Phone No. (include the property) Ph: 575-748-1549 | | | | EIVE | 10. Field and Pool or I RED HILLS-BO | Exploratory Area NE SPRING, NORTH |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | 11. County or Parish, State | |
| Sec 18 T24S R34E NENW 190FNL 1830FWL 32.224177 N Lat, 103.511120 W Lon | | | | | LEA COUNTY, NM | |
| 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | |
| ☑ Notice of Intent | ☐ Acidize | Deep | en | ☐ Produc | ction (Start/Resume) | ■ Water Shut-Off |
| _ | ☐ Alter Casing | ☐ Hydra | aulic Fracturing | □ Reclar | nation | ■ Well Integrity |
| ☐ Subsequent Report | □ Casing Repair | _ | Construction | ☐ Recom | - | ☑ Other Venting and/or Flari |
| ☐ Final Abandonment Notice | ☐ Change Plans | | and Abandon | | orarily Abandon | ng |
| | Convert to Injection | Plug 1 | | | | |
| 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 recomplete 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. | | | | | | |
| COG OPERATING LLC RESPECTFULLY REQUEST TO FLARE AT THE SEBASTIAN FEDERAL COM #2H. | | | | | | |
| FROM 5/30/19 TO 8/28/19. | | | | | | |
| # OF WELLS TO FLARE: 1 : SEBASTIAN FEDERAL COM #2H: 30-025-41666 , | | | | | | |
| BBLS OIL/DAY: 50 MCF/DAY: 120 | | | | | | |
| REASON: UNPLANNED MIDSTREAM CURTAILMENT | | | | | | |
| 14 I banks and 6 should be formation in | | <u> </u> | | | | |
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #466700 verified by the BLM Well Information System For COG OPERATING L.C, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 05/28/2019 (19PP2017SE) | | | | | | |
| Name (Printed/Typed) CATHY SEELY | | | Title ENGINEERING TECH | | | |
| | | | | | | |
| Signature (Electronic S | Date 05/28/2019 | | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | |
| /s/ Jonathon Shepard | | | l itie | | Engineer | MAY 3 0 2019 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or | | | Carlsb | ad Fl | eld Office | |
| 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 | | | |

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Conditions of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). 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".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.101 3179.104.