Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Hobbs

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

5. Lease Serial No. NMLC063645

SUNDRY NOTICES AND REPORTS ON WELLS

D 4 4 -					
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	6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRI	7. If Unit or CA/Agre	eement, Name and/or No.			
Type of Well Gas Well □ Other				8. Well Name and No. SCOOTER FEDERAL COM 2H	
Name of Operator COG OPERATING LLC E-Mail: bmaiorino@concho.com Contact: BRIAN MAIORINO E-Mail: bmaiorino@concho.com			9. API Well No. 2 30-025-42788-	9. API Well No. 30-025-42788-00-S1	
3a. Address ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701-4287 3b. Phone No. (include area code) Ph: 432-221-0467			e) 10. Field and Pool, of CORBIN	10. Field and Pool, or Exploratory CORBIN	
4. Location of Well (Footage, Sec., 7	11. County or Parish,	and State			
Sec 23 T18S R33E NENW 19	LEA COUNTY,	LEA COUNTY, NM			
12. CHECK APP	ROPRIATE BOX(ES) TO IN	NDICATE NATURE OF	NOTICE, REPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF 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 Venting and/or Flari	
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	ng	
	Convert to Injection	☐ Plug Back	☐ Water Disposal ng date of any proposed work and appro		
COG Operating LLC respectful From 5/14/16 to 8/12/16 # of wells to flare: 1 Scooter Fed Com #2H, 30-029 BBLS oil/day: 850 MCF/Day: 450 Reason: High line pressure	HOBBS MAY 1 9 201	6 SEE	Suent for 2/14 ATTACHED FOR DITIONS OF APPR		
		001			
14. I hereby certify that the foregoing is Comm Name(Printed/Typed) BRIAN MA	Electronic Submission #338 For COG OPE hitted to AFMSS for processing	ERATING LLC, sent to the by JENNIFER SANCHEZ	Hobbs /		
Signature (Electronic S	Submission)	Date 05/06/2	PPROVIT		
Signature (Electronic S		FEDERAL OR STATE		X //	
			MAY 1 2 /20%	11/1/	
Approved By		Title		p. h. Defte May	
Conditions of approval, if any, are attached ertify that the applicant holds legal or equal which would entitle the applicant to condu	itable title to those rights in the sub	warrant or ject lease Office	CARLSBAD FILLD OFFI	EMENT CE	
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s				agency of the United	

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Accepted for Record Only
MUB/OCD 5/23/2014

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.