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. NMNM112939

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

abandoned we	6. If Indian, Allottee of	6. If Indian, Allottee or Tribe Name			
SUBMIT IN TRI	PLICATE - Other instructions on r	7. If Unit or CA/Agre	7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well ☐ Gas Well ☐ Other				8. Well Name and No. BEVO 11 FEDERAL 4H	
2. Name of Operator COG OPERATING LLC Contact: BRIAN MAIORINO E-Mail: bmaiorino@concho.com			9. API Well No. 30-025-41804-0	9. API Well No. 30-025-41804-00-S1	
3a. Address ONE CONCHO CENTER 60 MIDLAND, TX 79701-4287		No. (include area code 221-0467		10. Field and Pool, or Exploratory GRAMA RIDGE	
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)		11. County or Parish,	11. County or Parish, and State	
Sec 11 T22S R33E SESE 700FSL 890FEL 32.235981 N Lat, 103.321518 W Lon			LEA COUNTY,	LEA COUNTY, NM	
12. CHECK APPI	ROPRIATE BOX(ES) TO INDICA	TE NATURE OF	NOTICE, REPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent	☐ Acidize ☐ D	eepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
	☐ Alter Casing ☐ F	racture Treat	☐ Reclamation	■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair ☐ N	ew Construction	☐ Recomplete	Other	
☐ Final Abandonment Notice	☐ Change Plans ☐ P	lug and Abandon	□ Temporarily Abandon	Venting and/or Flari	
	☐ Convert to Injection ☐ P	lug Back	☐ Water Disposal	8	
testing has been completed. Final Ab determined that the site is ready for fi	ally request to flare at the Bevo 11 Feb. 1804 onnection true and correct.	ederal #4H SEE A CONI	TTACHED FOR OITIONS OF APPRO	and the operator has L 0 6 2016 ECLIVED	
Com Name (Printed/Typed) BRIAN MA	Electronic Submission #340125 verif For COG OPERATING mitted to AFMSS for processing by PI	RISCILLA PEREZ o	Hobbs		
Manie (17 miew 19peu) BRIAN INF	NOMINO	THE AUTHO	THE REPRESENTATIVE		
Signature (Electronic S	ubmission)	Date 05/24/2	016 JUN 2 7 2016	Sh had	
	THIS SPACE FOR FEDER	AL OR STATE	OFFICE USE		
Approved By		Title	CARLSBAD FIELD	OE Date	
ertify that the applicant holds legal or equenchich would entitle the applicant to conduction		Office			
	J.S.C. Section 1212, make it a crime for any tatements or representations as to any matter		willfully to make to any department or	agency of the United	

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

Accepted for Record Only

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.