Form 3160-5 (June 2015)

| Form 3160-5 (June 2015) DE | HOBBS C | CD | OMB NO Expires: Ja | FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 | | |
|--|---|--|--|---|--|--|
| BUREAU OF LAND MANAGEMENT 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 Supplications | | | | | 5. Lease Serial No. NMLC061842 | |
| abandoned wel | II. Use form 3160-3 (AP | D) for the contract of the con | bound R | elenc | 6. If Indian, Allottee of | r Tribe Name |
| SUBMIT IN T | TRIPLICATE - Other ins | tructions on | a ref | lobbe | 7. If Unit or CA/Agree | ment, Name and/or No. |
| 1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other | | | | | 8. Well Name and No. FLAT HEAD FEDERAL COM 27H | |
| Name of Operator Contact: DANA KING COG OPERATING LLC E-Mail: dking@concho.com | | | | | 9. API Well No. 30-025-43147 | |
| 3a. Address ONE CONCHO CENTER, 600 MIDLAND, TX 79701 | . (include area code) 8-2267 | | | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | 11. County or Parish, State | |
| Sec 14 T17S R32E Mer NMP 1170FNL 990FEL | | | | | LEA COUNTY 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 ■ Notice of Intent Notice of Inten | ☐ Acidize | ☐ Dee | • | _ | ion (Start/Resume) | ☐ Water Shut-Off |
| ☐ Subsequent Report | ☐ Alter Casing | <i></i> | raulic Fracturing | ☐ Reclam | | ☐ Well Integrity |
| ☐ Final Abandonment Notice | □ Casing Repair□ Change Plans | _ | Construction g and Abandon | ☐ Recomp | arily Abandon | Other Venting and/or Flari |
| | Convert to Injection | | | ☐ Water I | • | ng |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directiona Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG OPERATING LLC RESENUMBER OF WELLS TO FLAFLAT HEAD FEDERAL COMFLAT HEAD FEDERAL TOMFLAT HEAD FEDERAL COMFLAT HEAD FEDERAL COMFLAT HEAD FEDERAL TOMFLAT HEA | ally or recomplete horizontally, it will be performed or provide operations. If the operation reparations is the horizontal with the final inspection. PECTFULLY REQUESTS (RE: (3) 8H 30-025-42375-00 17H 30-025-43224-00 27H 30-025-43147-00 | , give subsurface the Bond No. or sults in a multipl led only after all | locations and measure in file with BLM/BIA le completion or reco requirements, include | red and true ve Required sul mpletion in a sing reclamation | ertical depths of all pertin beequent reports must be new interval, a Form 316 n, have been completed a | ent markers and zones. filed within 30 days 0-4 must be filed once nd the operator has |
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #412212 verifie For COG OPERATING t Committed to AFMSS for processing by Name (Printed/Typed) DANA KING | | | d by the BLM Well Information System .LC, sent to the Hobbs DEBORAH MCKINNEY on 04/25/2018 () Title SUBMITTING CONTACT | | | |
| Signature (Electronic S | ubmission) | | Date 04/24/20 |)18 | | |
| | THIS SPACE FO | OR FEDERA | L OR STATE (| OFFICE U | SE | |
| Approved By /s/ Jonathon Shepard | | | Title | ^r Emmel | din addition in | 5(30/2018) Date |
| Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu- | Office C | FO . | | | | |
| Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. States any false, fictitious or fraudulent s | U.S.C. Section 1212, make it a tatements or representations as | crime for any pe to any matter w | rson knowingly and ithin its jurisdiction. | willfully to ma | ake to any department or | agency of the United |

(Instructions on page 2)

^{**} OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

BUREAU OF LAND MANAGEMENT

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

Condition of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- All flaring under this request is considered to be "avoidably lost":
 Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
 Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

Exceptions:

- a. The first 24 hours of a <u>temporary emergency flare</u> is considered "unavoidably lost" and is therefore royalty free. 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, 3179.103 3179.105.