Form 3460-5 ... (August, 2007)

## **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs	FORM APPROVE	
	OMB No. 1004-013	

37 Expires: July 31, 2010

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SU	INDRY NOTICES AND	REPORTS ON WE	rrs Horrs	5. Lease Senai No	NIMINIMU03 I	
	not use this form for propo doned well. Use Form 3160			62 lf lijdian, Allotte		
SUBMIT IN	TRIPLICATE - Other Ins	tructions on page 2.		7. If Unit or CA. A	agreement Name and/o	r No.
. Type of Well  X Oil Well  Gas Well	Other	-	RECE	8. Well Name and		
Name of Operator COG Operating LLC				Tige  9. API Well No.	er 11 Federal #	IH /
3a. Address		3b. Phone No. (inclu	de area code)	1	20 025 40420	
2208 W. Main Street Artesia, NM 88210		575-748-6946		30-025-40430  10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R.,	, M., or Survey Description)	Lat.		Lea; Bone Spring		
SHL: 30' FNL & 990' FWL,	SHL: 30' FNL & 990' FWL Unit D (NWNW) Sec 11-T20S-R34E		Long	11. County or Parish, State		
BHL: 331' FSL & 950' FWL	, Unit M (SWSW) Sec 11-7	VSW) Sec 11-T20S-R34E Long.		Lea		NM _
2. CHECK APPROPRIATE BOX	X(S) TO INDICATE NATUI	RE OF NOTICE, REPO	RT, OR OTHER DA	4TA		
TYPE OF SUBMISSION		T	PE OF ACTION			
Notice of Intent	Acidize	Deepen	Production ( Sta	art/ Resume)	Water Shut-off	
	Altering Casing	Fracture Treat	Reclamation		Well Integrity	
X Subsequent Report	Casing Repair	New Construction	Recomplete		Other	
	Change Plans	Plug and abandon	Temporarily Ab	oandon		
Final Abandonment Notice	Convert to Injection	Plug back	X Water Disposal			
13. Describe Proposed or Completed If the proposal is to deepen dire Attach the Bond under which the following completion of the involve testing has been completed. Final determined that the site is ready for final	ectionally or recomplete horizonta work will performed or provide ed operations. If the operation re Abandonment Notice shall be	lly, give subsurface location the Bond No. on file with esults in a multiple complete	ns and measured and the BLM/ BIA. Requion or recompletion in	true vertical depth nired subsequent re a new interval, a	ns or pertinent mar ports shall be filed a Form 3160-4 shal	kers and sands. within 30 days Il be filed once
Required Information for	the Disposal of Produce	ed Water:				
1) Name of formation prod	ucing water on lease: Bon	e Spring				

- 2) Amount of water produced in barrels per day: 900 BWPD
- 3) How water is stored on lease: 2 500 bbl fiberglass tanks
- 4) How water is moved to disposal facility: Trucked
- 5) Disposal Facility:
  - a) Facility Operator Name: Agua Sucia LLC
  - b) Name of facility or well name & number: Government E #1 (SWD-559)

SEE ATTACHED FOR

d) Location by 1/4, 1/4, Section, Township & Range: SESW, Sec 25-T19S-R34E CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Title: Regulatory Analyst Stormi Davis Signature 1/21/13 THIS SPACE FOR FEDERAL OR STATE OFFICE US Approved by: Conditions of approv if any are attached. Approval of this notice does not warrant or certify that the approant holds legal or equitable title to those rights in the subject lease Office: entitle applicant Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section States any false, fictitiousor fraudulent differents or representation as comme for any person knowing Want Availify the Annual MANAGEMENT agency of the United (Instructions on page 2)

## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- 6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 9. This **approval is for produced water disposal only** and any hydrocarbons removed from lease by this method will be subject to royalty payment as well as other enforcement actions as necessary.
- 10. Disposal at any other site will require prior approval.
- 11. Subject to like approval by NMOCD.

2/16/2013