HOBBS OCD €orm 3160 UNITED STATES FORM APPROVED (August, 2007) DEPARTMENT OF THE INTERIOR OMB No. 1004-0137 **OCD Hobbs** Expires: July 31, 2010 JAN 29 2013 BUREAU OF LAND MANAGEMENT Lease Serial No SUNDRY NOTICES AND REPORTS ON WELLS NMNM120910 RECEIVabandoned well. Use Form 3160-3 (APD) for such proposals. 6. If Indian, Allottee, or Tribe Name 7. If Unit or CA. Agreement Name and/or No. SUBMIT IN TRIPLICATE - Other Instructions on page 2. Type of Well X Oil Well Other Well Name and No. Gas Well Pintail 3 Federal #1H Name of Operator API Well No. COG Production LLC 3b. Phone No. (include area code) 3a Address 30-025-40684 2208 W. Main Street -748-6946 10. Field and Pool, or Exploratory Area Artesia, NM 88210 Location of Well (Footage, Sec., T., R., M., or Survey Description) WC-025 G05 S263208P; Bone Spring Lat. 11. County or Parish, State SHL: 260' FSL & 2290' FEL, Unit O (SWSE) Sec 3-T26S-R32E Long. NM BHL: 334' FNL & 2308' FEL, Unit B (NWNE) Sec 3-T26S-R32E Lea 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Deepen Production (Start/Resume) Water Shut-off Notice of Intent Fracture Treat Reclamation Well Integrity Altering Casing New Construction Recomplete Other X Subsequent Report Casing Repair Plug and abandon Temporarily Abandon Change Plans X Water Disposal Plug back Final Abandonment Notice Convert to Injection 13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BlA. Required subsequent reports shall 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 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.) Required Information for the Disposal of Produced Water: 1) Name of formation producing water on lease: Bone Spring 2) Amount of water produced in barrels per day: 2000 BWPD 2013 3) How water is stored on lease: 2 - 500 bbl fiberglass tanks 4) How water is moved to disposal facility: Trucked JAMES A. AMOS 5) Disposal Facility #1: SUPERVISOR-EPS a) Facility Operator Name: Mesquite SWD, Inc. b) Name of facility or well name & number: Paduca SWD #1 (SWD-1264) c) Type of facility of well: WDW d) Location by 1/4, 1/4, Section, Township & Range: SENE, Sec 22-T25S-R32E Disposal Facility #2: SEE ATTACHED FOR a) Facility Operator Name: COG Operating LLC b) Name of facility or well name & number: Charger 29 Federal SWD #1 (SWD-630-A) CONDITIONS OF APPROVAL c) Type of facility of well: WDW d) Location by 1/4, 1/4, Section, Township & Range: SWNW, Sec 29-T23S-R30E 14. I hereby certify that the foregoing is true and correct Name (Printed/ Typed) Title: Regulatory Analyst Stormi Davis Signature: THIS SPACE FOR FEDERAL OR STATE OFFICE USE Petroleum Engineer Approved by: Conditions of approval, if any are attached. Approval of this notice does not warrant or

which would entitle the applicant to conduct operations thereon.]

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United

certify that the applicant holds legal or equitable title to those rights in the subject lease Office:

States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

APR 1 0 2013

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.
- 3. 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.

9/22/09