

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD

FORM APPROVED
OMB No. 1004- 0137
Expires: July 31, 2010

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 such proposals.

APR 30 2014

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

RECEIVED

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
COG Operating LLC

3a. Address
2208 W. Main Street
Artesia, NM 88210

3b. Phone No. (include area code)
575-748-6940

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 660' FSL & 1980' FEL, Sec 3-T21S-R32E

Lat.
Long.

5. Lease Serial No.

NM71957

6. If Indian, Allottee, or Tribe Name

7. If Unit or CA. Agreement Name and/or No.

8. Well Name and No.

TSS Federal Com #1

9. API Well No.

30-025-25179

10. Field and Pool, or Exploratory Area

Hat Mesa, Morrow (Gas)

11. County or Parish, State

Lea County

NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Acidize

☐ Deepen

☐ Production (Start/ Resume)

☐ Water Shut-off

☐ Subsequent Report

☐ Altering Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Final Abandonment Notice

☐ Casing Repair

☐ New Construction

☐ Recomplete

☐ Other

☐ Change Plans

☐ Plug and abandon

☐ Temporarily Abandon

☐ Convert to Injection

☐ Plug back

☒ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Method For Water Disposal:

- 1) Name of formation producing water on lease: Morrow
- 2) Amount of water produced in barrels per day: 5.5 BWPD
- 3) How water is stored on lease: 1-250 bbl fiberglass tank
- 4) How water is moved to disposal facility: Trucked
- 5) Disposal Facility:
 - a) Facility Operator Name: Key Energy Services
 - b) Name of facility or well name & number: Atha SWD Order # R-3694
 - c) Type of facility or well: WDW
 - d) Location by 1/4, 1/4, Section, Township & Range: Sec.31-T21S-R36E

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**SUBJECT TO LIKE
APPROVAL BY STATE**

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed)

Amy Avery

Title:

Regulatory Technician

Signature:

Amy Avery

Date:

8/5/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by:

/s/ Jerry Blakley

Title:

APR 21 2014

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

YMSB/OCD 4/30/2014

APR 30 2014

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

4/21/2014 Approved subject to conditions of approval JDB:

**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. 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.

JDB2014