Form 3160-5 (August 2007)

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

**NMOCD** Hobbs

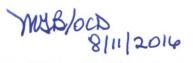
FORM APPROVED OMB NO. 1004-0135

Expires: July 31, 2010 Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an RRS OC 3. If Indian, Allottee or Tribe Name

abandoned wei	II. Use form 3160-3 (APD)	for such proposals	33 00	,		
SUBMIT IN TRIPLICATE - Other instructions on reverse side AUG 0 3 2016				7. If Unit or CA/Agreement, Name and/or No.		
Type of Well	ner	REC	EIVED	. Well Name and No. TUSK FEDERAL 2	2H	
Name of Operator     COG OPERATING LLC     Contact: BRIAN MAIORINO     E-Mail: bmaiorino@concho.com				9. API Well No. 30-025-39555-00-S1		
3a. Address ONE CONCHO CENTER 60 MIDLAND, TX 79701-4287	b. Phone No. (include area code Ph: 432-221-0467	2) 1	10. Field and Pool, or Exploratory LEA			
4. Location of Well (Footage, Sec., T Sec 25 T19S R34E NWNW 33	/		1	11. County or Parish, and State  LEA COUNTY, NM		
12. CHECK APPE	ROPRIATE BOX(ES) TO II	NDICATE NATURE OF	NOTICE, REP	ORT, OR OTHER	RDATA	
TYPE OF SUBMISSION TYPE OF ACTION					- PA 14-1	
Notice of Intent	☐ Acidize	☐ Deepen	☐ Production	(Start/Resume)	□ Water Shut-Off	
	☐ Alter Casing	☐ Fracture Treat	□ Reclamation	on	■ Well Integrity	
☐ Subsequent Report	Casing Repair	■ New Construction	☐ Recomple	te	Other Venting and/or Flari	
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	□ Temporari	ly Abandon		
	☐ Convert to Injection	□ Plug Back	☐ Water Dis	posal	6	
# of wells to Flare: 1, 30-025-3 From 6/30/16 to 9/28/16 bbls oil/day: 120 mcf/day: 110 Reason: DCP midstream curta	39555	sk Fed #2H				
14. I hereby certify that the foregoing is	Electronic Submission #343	ERATING LLC, sent to the	Hobbs			
Name (Printed/Typed) BRIAN MA						
Signature (Electronic S	ubmission)	Date 06/27/2	Date 06/27/2016			
	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE			
Approved By /S/ DAV	Title PETROL	Title PETROLEUM ENGINEER		'HAL 2 6 2016		
Conditions of approval, if any, are attached ertify that the applicant holds legal or eque which would entitle the applicant to condu-		Office				
Fitle 18 U.S.C. Section 1001 and Title 43 U.States any false, fictitious or fraudulent s			willfully to make	to any department or a	gency of the United	



\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

SEE ATTACHED FOR **CONDITIONS OF APPROVAL**  BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene

Carlsbad, New Mexico 88220-6292 (575) 234-5972

Venting and/or Flaring Conditions of Approval

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.

## **Conditions 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.