Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0137

DUDEAU OF LAND MANAGEMENT					Expires: J	anuary 31, 2018	
BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS NMOCD Do not use this form for proposals to drill or to re-enter an Hobbs abandoned well. Use form 3160-3 (APD) for such proposals Hobbs					5. Lease Serial No. NMNM119277		
					6. If Indian, Allottee of	or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well ☐ Gas Well ☐ Other				8. Well Name and No. BATTLE AXE FEDERAL COM 2H			
Name of Operator Contact: CATHY SEELY COG OPERATING LLC E-Mail: cseely@concho.com					9. API Well No. 30-025-41370		
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210			3b. Phone No. (include area code) Ph: 575-748-1549		10. Field and Pool or Exploratory Area RED BILLS BS NORTH		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, State			
Sec 2 T26S R33E SWNW 2260FNL 380FWL					LEA COUNTY, NM		
32.073535 N Lat, 103.550369 W Lon							
12. CHECK THE APPROPRIATE BOX(ES) 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	
	☐ Alter Casing		☐ Hydraulic Fracturing	□ Reclamation		■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair		■ New Construction	☐ Recomplete		☑ Other	
☐ Final Abandonment Notice	☐ Change Plans		□ Plug and Abandon	☐ Tempor	arily Abandon	Venting and/or Flari	
	☐ Convert to Injection		☐ Plug Back	☐ Water I	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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed to a following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3 for 4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.							
COG OPERATING LLC RESPECTFULLY REQUEST TO FLARE AT THE BATTLE AXE FED COM 2H.							
FROM 1/18/18 TO 4/18/18.						RECEIVED	
# OF WELLS TO FLARE: 1 BATTLE AXE FED COM 2H: 30-025-41370			SE	E ATT	ACHED FO	R	
BBLS OIL/DAY: 75 MCF/DAY: 200				CONDITIONS OF APPROVAL			

REASON: UNPLANNED MIDSTREAM CURTAILMENT

14. I hereby certify that the foregoing is true and correct. Electronic Submission #400346 verified by the BLM Well Information System
For COG OPERATING LC, sent to the Hobbs
Committed to AFMSS for processing by JENNIFER SANCHEZ on 01/11/2018 () Name (Printed/Typed) CATHY SEELY **ENGINEERING TECH** 01/10/2018 (Electronic Submission) Date Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Title Approved By 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. Office

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 to 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)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

MSB/00D 2/19/2018

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. Subject to like approval from NMOCD
- 2. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 3. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.
- 5. "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.
- 6. This approval does not authorize any additional surface disturbance.

43CFR §3162.7-1 Disposition of production.

- (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas, and sulphur produced from the leased land.
- (d) The operator shall conduct operations in such a manner as to prevent avoidable loss of oil and gas. A operator shall be liable for royalty payments on oil or gas lost or wasted from a lease site, or allocated to a lease site, when such loss or waste is due to negligence on the part of the operator of such lease, or due to the failure of the operator to comply with any regulation, order or citation issued pursuant to this part.