Form 3160-5 (June 2015) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUDDRY NOTICES AND REPORTS ON WELLS Department for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well Oil Well Gas Well Other 2. Name of Operator COG OPERATING LLC Contact: CATHY SEELY COG OPERATING LLC 3a. Address 3b. Phone No. (include area code)					FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 5. Lease Serial No. NMNM119759 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. 8. Well Name and No. BLUE JAY FEDERAL 1H 9. API Well No. 30-025-42338 10. Field and Pool or Exploratory Area	
2208 W MAIN STREET ARTESIA, NM 88210	Ph: 575-748-1549				WC025G08S203506D BS	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State	
Sec 18 T20S R35E SWSE 19	/			LEA COUNTY, NM		
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					
☑ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	☐ Deepen ☐ Hydraulic Fracturing ☐ New Construction ☐ Plug and Abandon ☐ Plug Back		☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete ☐ Temporarily Abandon ☐ Water Disposal		☐ Water Shut-Off ☐ Well Integrity ☑ Other Venting and/or Flari
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 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 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 BLUE JAY FED 1H BTY. FROM 1/16/18 TO 4/16/18. # OF WELLS TO FLARE: 2 BLUE JAY FED COM 2H: 30-025-43533 NOMENTAL 36636 BLUE JAY FED 1H: 30-025-42338 SEE ATTACHED FOR CONDITIONS OF APPROVAL SEE ATTACHED FOR CONDITIONS OF AP						
Name (Printed/Typed) CATHY S	by the BLM Wel LC, sent to the F JENNIFER SANG Title ENG NE	lobbs	10/2018 ()			
Signature (Electronic Submission)			Date 01/09/2018 APPROVED			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the second of the sec	e subject lease					
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 **						

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.