Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0137 Evaluary 31, 2018

| RI | UREALLOFT AND MANAG | EMENT _ | | L | Expires: Ja | anuary 31, 2018 | |
|---|---|---|--|--|---|--|----|
| BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WEARS D Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals | | | | ET8-D | 5. Lease Serial No. NMLC064198A | | |
| Do not use thi abandoned wei | is form for proposals to d II. Use form 3160-3 (APD) | irili or to re-e) for such pr | nter an | A TOTAL | 6. William (16) ee o | or Tribe Name | |
| | | | | O | <u>্রিক্তে </u> | | |
| SUBMIT IN 1 | TRIPLICATE - Other instr | uctions on p | HOBBS | | 891006783D | ement, Name and/or No. | |
| 1. Type of Well | HOBBS | 3018 | 8. Well Name and No. LUSK DEEP UNI | | _ | | |
| 2. Name of Operator | ner Control C | ATHY SEEL | 0 HII | N |). API Well No. | | |
| COG OPERATING LLC | E-Mail: cseely@con | cho.com | , Jo . | EIVE | 30-025-41291-0 | 00-S1 | |
| 3a. Address ONE CONCHO CENTER 60 MIDLAND, TX 79701-4287 | include are 1549 | | 10. Field and Pool or LUSK | Exploratory Area | | | |
| 4. Location of Well (Footage, Sec., T | | 11. County or Parish, State | | | | | |
| Sec 18 T19S R32E Lot 4 430I 32.654250 N Lat, 103.812659 | , | | LEA COUNTY, | NM | | | |
| 12. CHECK THE AF | PPROPRIATE BOX(ES) T | O INDICAT | E NATURE OI | F NOTICE, | REPORT, OR OTH | HER DATA | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | | |
| Notice of Intent ■ Notice of Intent Notice of Inten | ☐ Acidize | □ Dеер | ☐ Deepen . | | on (Start/Resume) | ■ Water Shut-Off | |
| _ | ☐ Alter Casing | ☐ Hydra | ☐ Hydraulic Fracturing | | ition | ■ Well Integrity | • |
| ☐ Subsequent Report | Casing Repair | □ New | Construction | ☐ Recomplete | | Other Venting and/or Fla | ri |
| ☐ Final Abandonment Notice ☐ Change Plans ☐ P | | Plug a | - • | | rarily Adandon ng | | 41 |
| | Convert to Injection | Plug l | Back | ☐ Water Disposal | | | |
| 13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for f | ally or recomplete horizontally, g rk will be performed or provide the disperations. If the operation resultandonment Notices must be filed | ive subsurface lo he Bond No. on i ilts in a multiple | cations and measuralle with BLM/BIA completion or reco | red and true ver Required sub impletion in a n | rtical depths of all pertir sequent reports must be ew interval, a Form 316 | nent markers and zones. filed within 30 days 60-4 must be filed once | |
| COG OPERATING LLC RESP | PECTFULLY REQUEST TO | O FLARE AT | THE LUSK DE | EP UNIT A # | 28H. | | |
| FROM 4/23/18 TO 7/22/18. | | | | | | | |
| # OF WELLS TO FLARE: 2 LUSK DEEP UNIT A #28H: 30 LUSK DEEP UNIT A #27H: 30 | | | | | | | |
| BBLS OIL/DAY: 85 MCF/DAY: 120 | | | | | | | |
| 14. I hereby certify that the foregoing is | | 1 | | | | | _ |
| Con | | PERATING L | .C, sent to the H | lobbs | • | | |
| Committed to AFMSS for processing by PRIS Name (Printed/Typed) CATHY SEELY | | | | ERING TE | · | | |
| | • | | | _ | | | |
| Signature (Electronic S | Date 05/03/20 | 018 | | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | | |
| /s/ Jonathon Shepard | | | Title P.L. | TROLEUM | ENGINEER | 5(31/18 Date | |
| | | | | | | | |

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.

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.

(Instructions on page 2) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Office

Additional data for EC transaction #413404 that would not fit on the form

REASON: UNPLANNED MIDSTREAM CURTAILMENT

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. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- 2. All flaring under this request is considered to be "avoidably lost":

 Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.

 Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08"

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179:4, 3179:103 3179:105.