

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.*5. Lease Serial No.
M459045

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
COG OPERATING LLCContact: AMANDA AVERY
E-Mail: aavery@concho.com3a. Address
ONE CONCHO CENTER 600 W ILLINOIS AVENUE
MIDLAND, TX 79701-42873b. Phone No. (include area code)
Ph: 575-748-69407. If Unit or CA/Agreement, Name and/or No.
NMNM1359008. Well Name and No.
SL EAST 30 FEDERAL COM 2H9. API Well No.
30-025-42524-00-S1

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T19S R32E SESE 520FSL 530FEL
32.640021 N Lat, 103.798165 W Lon

11. County or Parish, State

LEA COUNTY, NM

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Venting and/or Flaring |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recompleat 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 recompleat 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 requests permission to install a Vapor Combustor Unit (VCU) at the SL East Fed Com #2H tank battery. This request is due to the fact that the cost of installing and operating equipment necessary to capture the gas exceeds the value of the gas over the life of the facility. COG Operating LLC understands that the following conditions apply:

1. COG Operating LLC may be required to provide economic justification and provide volume verification to the Authorized Officer upon request.
2. COG Operating LLC will comply with NTL-4A requirements.
3. If volume being combusted is less than 50 MCF of gas per day, it is considered unavoidably lost, therefore, no royalty obligation shall be accrued and will not be required to be reported.
 - a. Unavoidably Lost production shall mean (1) those gas vapors which are released (in this case combusted) from low-pressure storage tanks.
4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and

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

Electronic Submission #389804 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/30/2017 (18PP0133SE)

Name (Printed/Typed) AMANDA AVERY

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 09/26/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By /s/ Jonathon Shepara
(BLM Approver Not Specified)

Title

Date 06/05/2018

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 Hobbs

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

msb/ocd
6/14/2018

Revisions to Operator-Submitted EC Data for Sundry Notice #389804

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|--|--|
| Sundry Type: | FLARE NOI | FLARE NOI |
| Lease: | NMNM59045 | NMNM59045 |
| Agreement: | NMNM135900 | NMNM135900 (NMNM135900) |
| Operator: | COG OPERATING LLC 2208 W MAIN STREET ARTESIA, NM 88210 Ph: 575-748-6940 | COG OPERATING LLC ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND, TX 79701-4287 Ph: 432.685.4342 |
| Admin Contact: | AMANDA AVERY AUTHORIZED REPRESENTATIVE E-Mail: aavery@concho.com Ph: 575-748-6940 | AMANDA AVERY AUTHORIZED REPRESENTATIVE E-Mail: aavery@concho.com Ph: 575-748-6940 |
| Tech Contact: | AMANDA AVERY AUTHORIZED REPRESENTATIVE E-Mail: aavery@concho.com Ph: 575-748-6940 | AMANDA AVERY AUTHORIZED REPRESENTATIVE E-Mail: aavery@concho.com Ph: 575-748-6940 |
| Location: | | |
| State: | NM | NM |
| County: | LEA | LEA |
| Field/Pool: | LUSK; BONE SPRING | LUSK-BONE SPRING |
| Well/Facility: | SL EAST 30 FEDERAL COM 2H Sec 19 T19S R32E 520FSL 530FEL | SL EAST 30 FEDERAL COM 2H Sec 19 T19S R32E SESE 520FSL 530FEL 32.640021 N Lat, 103.798165 W Lon |

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.