Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGERISDAD FIELD OFFICE

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

Lease Serial No. NMNM0554252

SUNDRY NOTICES AND REPORTS ON THE DO not use this form for proposals to drill or to describe

abandoned we	II. Use form 3160-3 (AP	D) for such	proposals	e_{ln}	6. If Indian, Allouee (or Inde Name
abandoned well. Use form 3160-3 (APD) for such proposals SUBMIT IN TRIPLICATE - Other Instructions on page 15 If Unit or CA/Agreement, Name and/or No. 1. Type of Well Oil Well □ Gas Well □ Other Contact: CATHY SEELY 9. API Well No.						
1. Type of Well Gas Well Other					8. Well Name and No. PICASSO FEDERAL 2H	
2. Name of Operator Contact: CATHY SEELY COG OPERATING LLC E-Mail: CSEELY@CONCHO.COM					9. API Well No. 30-025-41905-00-S1	
3a. Address ONE CONCHO CENTER 60 MIDLAND, TX 79701-4287	3b. Phone No. (include area code) Ph: 575-748-1549			10. Field and Pool or Exploratory Area RED HILLS-BONE SPRING, NORTH		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, State		
Sec 9 T24S R34E SWSE 190 32.225207 N Lat, 103.470202	LEA COUNTY,			NM		
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE,	REPORT, OR OTI	IER DATA
TYPE OF SUBMISSION	TYPE OF ACTION					
☑ Notice of Intent ☐ Subsequent Report	☐ Acidize	☐ Dec	epen	☐ Production (Start/Resume)		■ Water Shut-Off
	☐ Alter Casing	☐ Hyd	Hydraulic Fracturing Reclamation		ation	■ Well Integrity
	☐ Casing Repair	□ Nev	w Construction	☐ Recomplete		Other
☐ Final Abandonment Notice	Change Plans	ge Plans 🔲 Plug		□ Temporarily Abandon		Venting and/or Flari
	Convert to Injection	☐ Plu	☐ Plug Back ☐ Water Disposal		Pisposal	6
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	ally or recomplete horizontally, it will be performed or provide operations. If the operation re pandonment Notices must be fil inal inspection.	give subsurface the Bond No. o sults in a multip led only after all	locations and measu n file with BLM/BIA le completion or reco requirements, includ	red and true ve Required sub impletion in a n ing reclamation	rtical depths of all pertir sequent reports must be lew interval, a Form 316 1, have been completed a	ent markers and zones. filed within 30 days 0-4 must be filed once
COG OPERATING LLC RESPECTFULLY REQUEST TO FLARE AT THE PICASSO FEDERAL #2H.						
FROM 3/31/19 TO 6/29/19.						
# OF WELLS TO FLARE: 1 PICASSO FEDERAL #2H: 30-	-025-41905	: •				
BBLS OIL/DAY: 100 MCF/DAY: 1,100						
REASON: UNPLANNED MID:	STREAM CURTAILMENT	Γ				
14. I hereby certify that the foregoing is	true and correct.	459567 vorific	d by the RI M Wei	i Information	System	
Electronic Submission #459567 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 03/28/2019 (19PP1480SE)						
Name (Printed/Typed) CATHY SEELY						
Name (Printed/Typed) CATHY SEELY Title ENGINEERING TECH						
Signature (Electronic Submission)			Date 03/28/20	019		

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/s/ Jonathon Shepard Approved By

Title Petroleum Engineer Carlsbad Field Office MAR 2 9 2019

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) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **



BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Conditions of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). 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, 3179.101 3179.104.