Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERCATISHAD Field Office OMB NO. 1004-0137 BUREAU OF LAND MANAGEMENT BUREAU OF LAND MANAGEMENT OF THE INTERCATION OF THE INTERCATIO

SUNDRY NOTICES AND REPORTS ON WELSOLD Hobbs. NMNM104685 Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. If Unit or CA/Agreement, Name and/or No. NMNM136923 SUBMIT IN TRIPLICATE - Other instructions on page 2 Well Name and No. SPRUCE GOOSE FEDERAL COM 3H 1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other 2. Name of Operator API Well No. Contact: KELLI CARR COG OPERATING LLC 30-025-43169-00-S1 E-Mail: kcarre@concho.com Field and Pool or Exploratory Area LUSK-BONE SPRING, NORTH 3a. Address 3b. Phone No. (include area of ONE CONCHO CENTER 600 W ILLINOIS AVENUE Ph: 575-689-3057 MIDLAND, TX 79701-4287 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 7 T19S R32E Lot 2 1980FNL 210FWL LEA COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize □ Production (Start/Resume) ■ Water Shut-Off Deepen Notice of Intent ■ Well Integrity ■ Alter Casing ☐ Hydraulic Fracturing ☐ Reclamation □ Subsequent Report ■ New Construction Other 🛛 □ Casing Repair □ Recomplete Venting and/or Flari ☐ Final Abandonment Notice □ Change Plans □ Plug and Abandon ☐ Temporarily Abandon ■ Water Disposal Convert to Injection □ Plug Back 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 SPRUCE GOOSE FEDERAL COM #3H. FROM 10/24/19 TO 01/22/20. # OF WELLS TO FLARE: 2 SPRUCE GOOSE FEDERAL COM #3H: 30-025-43169 SPRUCE GOOSE FEDERAL COM #2H: 30-015-43878 BBLS OIL/DAY: 200 MCF/DAY: 380 REASON: UNPLANNED MIDSTREAM CURTAILMENT AND/OR BREAKOUT GAS. 14. I hereby certify that the foregoing is true and correct Electronic Submission #489710 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/24/2019 (20PP0233SE) Name (Printed/Typed) KELLI CARRE Title **OPERATIONS ENGINEERING TECH I** (Electronic Submission) Signature 10/24/2019 THIS SPACE FOR FEDERAL OR STATE OFFICE USE /s/ Jonathon Shepard DGT 2 5 2019 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

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.

which would entitle the applicant to conduct operations thereon.



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.