

000 Artesia

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

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. NMNM114965
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No. HORNED OWL FEDERAL 1H
9. API Well No. 30-015-42484

10. Field and Pool, or Exploratory WILDCAT; BONE SPRING

11. County or Parish, and State EDDY COUNTY, NM

1. Type of Well Oil Well
2. Name of Operator COG OPERATING LLC
3a. Address 2208 WEST MAIN ARTESIA, NM 88210
3b. Phone No. (include area code) Ph: 575-748-6946
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T26S R26E Mer NMP NWNW 20FNL 330FWL

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

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Required Information for the Disposal of Produced Water:

- 1) Name of formation producing water on lease: Bone Spring
2) Amount of water produced in barrels per day: 2000 BWPD
3) How water is stored on lease: 2 - 500 bbl fiberglass tanks
4) How water is moved to disposal facility: Trucked
5) Disposal Facility:
a) Facility Operator Name: COG Operating LLC
b) Name of facility or well name & number: Cottonwood 36 State SWD #1 (Order SWD-1226-A)
c) Type of facility or well: WDW
d) Location by 1/4, 1/4, Section, Township & Range: NESW, Sec 36-T25S-R26E

220 9/3/15 Accepted for record NMOCD

NM OIL CONSERVATION ARTESIA DISTRICT SEP 03 2015

RECEIVED SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #296960 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMS for processing by LINDA DENNISTON on 07/24/2015 () Name (Printed/Typed) STORMI DAVIS Title PREPARER Signature (Electronic Submission) Date 04/01/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPROVED AUG 27 2015 Approved By Title Date Office JAMES A. AMOS SUPERVISOR-EPS

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.

BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

Disposal of Produced Water From Federal Wells  
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14