Form 3160-5 (August 2007)

## 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 Artesia  Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.				NMNM67106 6. If Indian, Allottee or Tribe Name	
1. Type of Well				8. Well Name and No. SEABISCUIT FEDERAL COM 4H	
2. Name of Operator  Contact: BRIAN MAIORINO				9. API Well No.	
COG OPERATING LLC E-Mail: bmaiorino@concho.com				30-015-41563-00-S1	
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701  3b. Phone No. (include area code) Ph: 432-221-0467				10. Field and Pool, or Exploratory COTTON DRAW	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, and State	
Sec 12 T24S R31E SESW 330FSL 2200FWL 32.225410 N Lat, 103.732471 W Lon				EDDY COUNTY, NM	
12. CHECK APPR	ROPRIATE BOX(ES) TO INDICAT	E NATURE OF 1	NOTICE, RI	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	· · · · · · · · · · · · · · · · · · ·	TYPE O	F ACTION		
	☐ Acidize ☐ Do	eepen .	☐ Product	ion (Start/Resume)	☐ Water Shut-Off
Notice of Intent	☐ Alter Casing ☐ Fr	acture Treat	☐ Reclama	ation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair ☐ No	ew Construction	☐ Recomp	lete	☑ Other
☐ Final Abandonment Notice	☐ Change Plans ☐ Pl	ug and Abandon	☐ Tempore	arily Abandon	Venting and/or Flari
	☐ Convert to Injection ☐ PI	ug Back	■ Water D	Pisposal	5
determined that the site is ready for fi COG Operating LLC respectfu From 5/15/16 to 8/13/16	lly request to flare at the Seabiscuit				<u>.</u> <del></del>
# of wells to flare: 1 Seabiscuit Fed Com 4H, 30-01	^ 15-41563	SEE ATTA	4CHED	FOR EADDROVA	т.
BBLS oil/day: 159 MCF/Day: 1004	<sub>-c</sub> CQNDITI	ONS OI	F APPROVA NA	ARTESIA DISTRICT	
Reason: unplanned midstream	n curtailment				MAY 2 7 2016
	•				2 2010
				$\rightarrow$	RECEIVER
14. I hereby certify that the foregoing is  Comm	true and correct.  Electronic Submission #339197 verifi  For COG OPERATING itted to AFMSS for processing by JEN	LLC. sent to the Ca	arisbad	-1	
Name (Printed/Typed) BRIAN MA			,	RESENTATIVE	
Signature (Electronic S	ubmission)	Date 05/13/20	016	(PPROVE)	
	THIS SPACE FOR FEDER	AL OR STATE	OFFICE/US	SE //	// //
Approved By	_'	Title	NA.	MAY 1.6/2016	
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu	Office		U OF LAND MANAGE RLSBAD F/LD OFFIS		
	U.S.C. Section 1212, make it a crime for any tatements or representations as to any matter		willfully to ma	ke to any department or	agency of the United

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

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

## **Condition of Approval to Flare Gas**

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

**Definition:** As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

**43CFR3162.7-1 (a)** The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

**43CFR3162.1 (a)** The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.