Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREALLOF LAND MANAGEMENT

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

	REAU OF LAND MAN		- FED	-, 4 - 1 5	Lease Serial No.			
SUNDRY I Do not use this	NOTICES AND REP s form for proposals	ORISON W to drill or to re	enter an	6 2013	NMNM046793	Z		
SUNDRY NOTICES AND REPORTS ON WELLS FEB 26 2013 Do not use this form for proposals to drill or to relepter an abandoned well. Use form 3160-3 (APD) for such proposals CD ARTESIA SUBMIT IN TRIPLICATE - Other instructions on reverse side.					If Indian, Allottee	or Tribe Name .		
SUBMIT IN TRIE	PLICATE - Other instr	uctions on re	rerse side.	LSIA	. If Unit or CA/Agr	eement, Name and/or No.		
1. Type of Well Gas Well Other					8. Well Name and No. LOCO SW 1			
2. Name of Operator COG OPERATING LLC Comparison Contact: KANICIA CASTILLO E-Mail: kcastillo@concho.com			STILLO	9	9. API Well No. 30-015-22216-00-S2			
3a. Address ONE CONCHO CENTER 600 WILLINOIS AVENU MIDLAND, TX 79701		3b. Phone No. (include area code) UE Ph: 432-685-4332 Fx: 432-685-4396			10. Field and Pool, or Exploratory LOCO HILLS			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		ion)		1	. County or Parish, and State			
Sec 20 T17S R30E NESW 1650FSL 1980FWL					EDDY COUNTY, NM			
12. CHECK APPR	COPRIATE BOX(ES)	TO INDICATI	NATURE OF 1	NOTICE, REP	ORT, OR OTH	ER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION						
	☐ Acidize	□ Dec	epen	☐ Production	(Start/Resume)	☐ Water Shut-Off		
☑ Notice of Intent	☐ Alter Casing	Fra	cture Treat	☐ Reclamati	•	☐ Well Integrity		
☐ Subsequent Report	☐ Casing Repair	□ Ne	w Construction	☐ Recomple	te	Other		
☐ Final Abandonment Notice	☐ Change Plans	☐ Plu	g and Abandon	□ Temporari	ly Abandon			
Convert to Inject		tion Plug Back Water I		Water Dis	Disposal			
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 COG Operating LLC, respectful	operations. If the operation andonment Notices shall be nal inspection.)	results in a multip filed only after all	le completion or reco requirements, includ	ompletion in a nev ling reclamation, h	v interval, a Form 31	60-4 shall be filed once		
, -	my requests this water	uisposai mein	od for the following	ng battery.				
Loco SW #1 Battery location.			· C1	DD Amma	CHED D	\ n		
Producing Formation: Loco Hi Amout Produced: 104 BWPD Water stored in 500 bbl Water	duced: 104 BWPD							
Water is transfered by 4" DR9	Polypipe to COG's 8" i	main line water	system. The wa	ater doesn't go	to			
a particular well, it is distributed into the main water system and is distributed into either the Jenkins B Water Flood WFX-861 or the disposal wells in the system at the Empire **Cepted for record NMOCD LF 2713**								
14. I hereby certify that the foregoing is	true and correct. Electronic Submission	#196252 verifie	ed by the BLM We	II Information S	vstem			
Com	For COG mitted to AFMSS for pr	OPERATING L	LC, sent to the Ca	arlsbad	•			
Name (Printed/Typed) KANICIA (occoming by the	Title PREPA	•				
Signature (Electronic S	ubmission)		Date 02/05/2	013				
	THIS SPACE	FOR FEDER	AL OR STATE	OFFICE US	OVED			
Approved By JERRY BLAKLEY Conditions of approval, if any, are attached ertify that the applicant holds legal or equivalent would entitle the applicant to condu-	itable title to those rights in	pes not warrant or the subject lease	TitleLEAD PET	APTI FEB 2	2 3 2013	Date 02/23/2013		
Fitle 18 U.S.C. Section 1001 and Title 43 V States any false, fictitious or fraudulent s	LS C. Section 1212 make i	t a crime for any p	Office Carlsbacerson knowingly and within its jurisdiction.	willfully to make	to any department	or agency of the United		

CARLSBAD FIELD OFFICE

Additional data for EC transaction #196252 that would not fit on the form

32. Additional remarks, continued

Area. The Empire Area wells include the following:

GJ West Coop Unit Water Flood WFX-245-0 Blue Streak Federal 1 SWD - 30-015-21308 SWD-1059 Chase 21 State Com 1 SWD - 30-015-30874 SWD-1007 Big George SWD 3 - 30-015-28759 SWD-611 Muskegon 16 State com 1 SWD - 30-015-27108 SWD-624

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. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- 6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 8. 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.
- 9. This **approval is for produced water disposal only** and any hydrocarbons removed from lease by this method will be subject to royalty payment as well as other enforcement actions as necessary.
- 10. Disposal at any other site will require prior approval.
- 11. Subject to like approval by NMOCD.

2/16/2013