

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.
NMLC058181

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.

| | | | |
|--|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. BEECH FEDERAL 2 | |
| 2. Name of Operator COG OPERATING LLC | | 9. API Well No. 30-015-31790 | |
| 3a. Address ONE CONCHO CENTER 600 WEST ILLINOIS AVE. MIDLAND, TX 79701 | | 3b. Phone No. (include area code) Ph: 432-686-3087 | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T17S R27E Mer NMP NWSE 900FSL 180FWL | | 10. Field and Pool, or Exploratory RED LAKE | |
| | | 11. County or Parish, and State EDDY COUNTY, NM | |

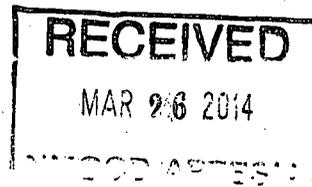
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other ? VENTING & FLARING |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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 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.)

COG Operating LLC, respectfully request to flare at the Beech Federal #2 Battery.
Number of wells to flare: (4)
Beech Federal 2, 30-015-31790
Beech Federal 4, 30-015-39460
Beech Federal 5, 30-015-39461
Beech Federal 6, 30-015-38539
60 Oil/Day
205 MCF/Day
Requesting 90 day approval from 10/29/13 to 1/29/14.
Due to DCP plant acid gas problems.
Schematic attached.

APD 3/26/2014
Accepted for record
MWOOD



**SUBJECT TO LIKE
APPROVAL BY STATE**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #224558 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by JOHNNY DICKERSON on 11/26/2013 ()

| | |
|--------------------------------------|-----------------|
| Name (Printed/Typed) CHASITY JACKSON | Title PREPARER |
| Signature (Electronic Submission) | Date 10/28/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | | |
|---|--------|-------------------------|------|
| Approved By <i>[Signature]</i> | Title | APPROVED MAR 18 2014 | Date |
| 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 | | |

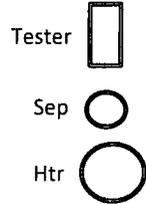
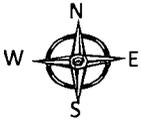
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any false and fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

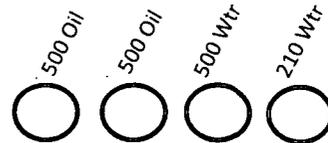
Flare Request Form

| | | | |
|--------------------|--------------------------|--------------------------|----------------------------|
| Battery- | Beech Fed. #2 | | |
| Production- | 60 oil, 205 MCF | | |
| Total BTU of Htrs- | 1,000,000 | | |
| Flare Start Date- | 10/29/2013 | Flare End Date- | 1/29/2014 |
| UL Sec-T-R- | Unit J, Sec.25-T17S-R27E | GPS- | N 32* 48.138 W 104* 13.740 |
| # of wells in bty- | 4 | # of wells to be flared- | 4 |
| Reason For Flare- | Acid Gas Issues at Plant | | |
| | | | |
| | | | |

Site Diagram



| <u>Well #'s</u> | <u>API Numbers</u> |
|-----------------|--------------------|
| 2 | 30-015-31790 |
| 4 | 30-015-39460 |
| 5 | 30-015-39461 |
| 6 | 30-015-38539 |



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

3/18/2014 Approved subject to Conditions of Approval. JDB

Condition of Approval to Flare Gas

From date of receipt

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. **Flared volumes will still require payment of royalties**
5. 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. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JDB