INITED STATES

| UNITEDSTATES | | | |
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| DEPARTMENT OF THE INTERIOR | | | |
| BUREAU OF LAND MANAGEMENT | | | |

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| OMB N | O. 1004 | -0135 |
| Expires: | July 31 | , 2010 |
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| FURM APPROVED |
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| OMB NO. 1004-0135 |
| Expires: July 31, 2010 |
| BAPAGE TOLY ST. 2010 |

| SUNDRY NOTICES AND REPORTS ON Do not use this form for proposals to drill or to abandoned well. Use form 3160-3 (APD) for suc | re-enter an |
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| Do not use this form abandoned well. Use | 6. If Indian, Allottee or Tribe Name | | |
|--|--|---|--|
| SUBMIT IN TRIPLICAT | 7. If Unit or CA/Agreement, Name and/or No. | | |
| Type of Well | | 8. Well Name and No. PATRON 23 FEDERAL 2H | |
| Name of Operator COG PRODUCTION LLC | Contact: STORMI DAVIS E-Mail: sdavis@concho.com | 9. API Well No. 30-015-42449 ~ | |
| 3a. Address 2208 W MAIN STREET ARTESIA, NM 88210 | 3b. Phone No. (include area code) Ph: 575-748-6946 | 10. Field and Pool, or Exploratory WILLOW LAKE; BONE SPRING | |
| 4. Location of Well (Footage, Sec., T., R., M., | or Survey Description) . | · 11. County or Parish, and State | |
| Sec 23 T25S R29E Mer NMP NENW | 322FNL 2085FWL / | EDDY COUNTY, NM | |
| 12. CHECK APPROPRIA | ATE BOX(ES) TO INDICATE NATURE OF NOTIC | E, REPORT, OR OTHER DATA | |
| TYPE OF SUBMISSION | TYPE OF ACTI | ON | |
| | | | |

| TYPE OF SUBMISSION | TYPE OF AC | | TYPE OF ACTION | |
|----------------------------|----------------------|--------------------|-----------------------------|------------------|
| □ Notice of Intent | ☐ Acidize | □ Deepen | ☐ Production (Start/Resume) | ■ Water Shut-Off |
| Nonce of finence | ☐ Alter Casing | Fracture Treat | ■ Reclamation | Well Integrity |
| Subsequent Report ■ | □ Casing Repair | ☐ New Construction | □ Recomplete | Other |
| ☐ Final Abandonment Notice | Change Plans | □ Plug and Abandon | □ Temporarily Abandon | |
| , | Convert to Injection | Plug Back | ■ 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.)

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: 1400 BWPD 3) How water is stored on lease: 2 - 500 bbl fiberglass tanks

4) How water is moved to disposal facility: Pipeline

5) Disposal Facility #1:

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

a) Facility Operator Name: COG Operating LLC
b) Name of facility or well name & number: West Brushy 5 Federal SWD #5 (SWD-1168)
c) Type of facility or well: WDW

d) Location by 1/4, 1/4, Section, Township & Range: SESE, 5-T26S-R29E

NM OIL CONSERVATION ARTESIA DISTRICT

SEP 2 1 2015

CONDITIONS OF APPROVAL

| US CC | pied for rec NAMOCD | core | d. ĭ | 15 |
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| | For COG PI | DDUCTION LLC, sent to the Carlsbad processing by LINDA DENNISTON on 08/19/2015 () | , | |
|--|--|--|--------------------------|--|
| Name (Printed/T | yped) STORMI DAVIS | Title REGULATORY ANALYST | | |
| Signature | (Electronic Submission) | Date 05/27/2015 APF | PROVED | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | |
| Approved By | | Title | Dale | |
| Conditions of approva | al, if any, are attached. Approval of this notice does ant holds legal or equitable title to those rights in the | ot warrant or Subject lease Office | ES A. AMOS BVISOR-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