Form 3160-5 (August 2007)

## **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT IS BAR FIELD OFFICE Expires BUREAU OF LAND MANAGEMENT IS BAR FIELD OFFICE Expires NMNM100342

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

SUNDRY NOTICES AND REPORTS ON WELLS

| is form for proposals to drill (<br>II. Use form 3160-3 (APD) for      |  | 6. If Indian, Allotted  | e or Tribe Name   |  |
|--|--|---|---|--|
| SUBMIT IN TRIPLICATE - Other instructions on reverse side.             |  | 7. If Unit or CA/Ag   | 7. If Unit or CA/Agreement, Name and/or No.   |  |
| I. Type of Well  |  |   | 8. Well Name and No. AIRBUS 12 FEDERAL 2H   |  |
| 2. Name of Operator - Contact: STORMI DAVIS                            |  | 9. API Well No.<br>30-015-39503   | I-00-S1   |  |
|  |  |   |   |  |
| Ph:  |  | GREENWOOD GREENWOOD   |   |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) |  | 11. County or Paris   | h, and State  |  |
| Sec 12 T19S R31E NWNW 330FNL 330FWL                                    |  | EDDY COUN   | EDDY COUNTY, NM   |  |
| ROPRIATE BOX(ES) TO IND  | ICATE NATURE OF  | NOTICE, REPORT, OR OTH  | ER DATA   |  |
|  | ТҮРЕ О   | F ACTION  |   |  |
| ☐ Acidize  | ☐ Deepen   | ☐ Production (Start/Resume)   | ■ Water Shut-Off  |  |
| ☐ Alter Casing   | ☐ Fracture Treat   | ☐ Reclamation   | ■ Well Integrity  |  |
| ☐ Casing Repair  | ■ New Construction   | □ Recomplete  | ✓ Other  Venting and/or Flari   |  |
| ☐ Change Plans   | □ Plug and Abandon   | □ Temporarily Abandon   | ng  |  |
| ☐ Convert to Injection   | ☐ Plug Back  | ☐ Water Disposal  |   |  |
| MOED   | nstruction is complete.  | NM OIL CONSERVAT  | TION  |  |
| J.   |  | MAR <b>2 9</b> 2016   |   |  |
| •  | •  | RECEIVED  | • ,   |  |
| For COG OPERA<br>mmitted to AFMSS for processing                       | ATING LIC, sent to the 0<br>g by KURT SIMMONS on   | Carlsbad<br>06/18/2012 (12KMS2362SE)  |   |  |
| DAVIO  | Tide FILE  | TILLY   |   |  |
| Submission)  | Date 06/12/  | 2012  |   |  |
|  | ·  |   |   |  |
| THIS SPACE FOR F   | EDERAL OR STATE  | OFFICE USE  |   |  |
| THIS SPACE FOR F   | TitleTECHNIC   |   | Date 03/21/2016   |  |
|  | Contact: STOF E-Mail: sdavis@concho.d  Be a Storm of Survey Description of Storm of Survey Description of Surv | Contact: STORMI DAVIS E-Mail: sdavis@concho.com  3b. Phone No. (include area code Ph: 575-748-6946  T. R. M., or Survey Description)  30FNL 330FWL  ROPRIATE BOX(ES) TO INDICATE NATURE OF  TYPE O  Acidize Deepen Alter Casing Fracture Treat Casing Repair New Construction Plug Back  Plug and Abandon Convert to Injection Plug Back  eration (clearly state all pertinent details, including estimated startially or recomplete horizontally, give subsurface locations and meas rk will be performed or provide the Bond No. on file with BLM/BI operations. If the operation results in a multiple completion or recomplete horizontally after all requirements, incluinal inspection.)  mately 30 days until pipeline construction is complete.  MCFD.  Strue and correct. Electronic Submission #140356 verified by the BLM We For COG OPERATING LLC, sent to the Committed to AFMSS for processing by KURT SIMMONS on Title PREPA | PLICATE - Other instructions on reverse side.  7. If Unit or CA/Ag  8. Well Name and N ARBUS 12 Fel  8. Well Name and N ARBUS 12 Fel  9. API Well No. 30-015-39503  30-015-39503  31. Phone No. (include area code) Ph: 575-748-6946  7. R. M. or Survey Description)  30FNL 330FWL  ROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTH  TYPE OF ACTION  TYPE OF ACTION    Acidize |  |

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

COG Operating LLC Airbus 12 Federal 2H NM100342

March 21, 2016

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 30 days,(from <u>6/12/2012</u> to <u>7/12/2012</u>), if flaring is still required past 14 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.

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