UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

Expires: July 31, 5. Lease Scrial No. NMNM114979

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

abandoned well. Use form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				greement, Name and/or No.	
I. Type of Well				No. K 13 FEDERAL 3H	
2. Name of Operator Contact: BRIAN MAIORINO			9. API Well No.		
COG PRODUCTION LLC	ho.com	30-015-4152	9-00-S1		
		Phone No. (include area code 432-221-0467		10. Field and Pool, or Exploratory POKER LAKE	
4. Location of Well (Footage, Sec., T		11. County or Pari	11. County or Parish, and State		
Sec 13 T24S R31E NWNE 19 32.223979 N Lat, 103.727258			EDDY COUN	ITY, NM	
12. CHECK APPI	ROPRIATE BOX(ES) TO IND	ICATE NATURE OF 1	NOTICE, REPORT, OR OTH	IER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	□ Water Shut-Off	
	□ 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	Venting and/or Flari ng	
	□ Convert to Injection	□ Plug Back	■ Water Disposal	J	
testing has been completed. Final At determined that the site is ready for fi	ully request to flare at the Canva 1529, 30-015-41552 NM OIL C	after all requirements, includ	ling reclamation, have been complete	ed, and the operator has	
RECEIVED					
14. I hereby certify that the foregoing is Com Name (Printed/Typed) BRIAN MA	Electronic Submission #331639 For COG PRODUC nmitted to AFMSS for processing	CTION LLC, sent to the C by PRISCILLA PEREZ or	arisbad n 02/17/2016 (16PP0513SE) RIZED REPRESENTATIVE		
Signature (Electronic S	ubmission) ,	Date 02/16/20	01,6		
	THIS SPACE FOR FE	DERAL OR STATE	OFFICE USEAH 2//		
Approved By Conditions of approval, if any, are attached. Approval of this notice does not warrant or		Title	SUREAU OF LATE	Date Pate	
ertify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		t lease Office			
itle 18 U.S.C. Section 1001 and Title 43 V	U.S.C. Section 1212, make it a crime for	or any person knowingly and	willfully to make 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.