Form 3160-5 (August 2007)

## **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

## SUNDRY NOTICES AND REPORTS ON WELLS Artesia

5. Lease Serial No. NMNM67106

Do not use thi	is form for proposals to drill or to re	-onfor an		
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.			6. If Indian, Allottee of	or Tribe Name
ŞUBMIT IN TRI	PLICATE - Other instructions on rev	verse side.	7. If Unit or CA/Agree NMNM126442	ement, Name and/or No.
1. Type of Well			8. Well Name and No. SEABISCUIT FEL	
☑ Oil Well ☐ Gas Well ☐ Oth	<del></del>		<u>-</u>	DERAL COM 4H
2. Name of Operator Contact: BRIAN MAIORINO COG OPERATING LLC E-Mail: bmaiorino@concho.com			9. API Well No. 30-015-41563-0	00-S1
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701	3b. Phone N Ph: 432-23	10. Field and Pool, or COTTON DRAV	Exploratory N	
4. Location of Well (Footage, Sec., T	ocation of Well (Footage, Sec., T., R., M., or Survey Description)  11. County or Parish, and State			and State
Sec 12 T24S R31E SESW 33 32.225410 N Lat, 103.732471			EDDY COUNTY	Υ, NM ·
12. CHECK APPI	ROPRIATE BOX(ES) TO INDICATE	E NATURE OF N	OTICE, REPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	☐ Acidize ☐ Dec	epen	☐ Production (Start/Resume)	■ Water Shut-Off
<del>-</del>	☐ Alter Casing ☐ Fra	cture Treat	□ Reclamation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair ☐ New	w Construction	□ Recomplete	Other     ■
☐ Final Abandonment Notice	Change Plans	g and Abandon	□ Temporarily Abandon	Venting and/or Flari
	☐ Convert to Injection ☐ Plu	g Back	■ Water Disposal	
following completion of the involved testing has been completed. Final At determined that the site is ready for fit COG Operating LLC respectful for wells to Flare: 1,30-015-4  From 2/15/16 to 5/15/16  bbls oil/day: 159  mcf/day: 1004  Reason:unplanned midstream	Illy request to flare at the Seabiscuit F 1563 INM OII Af curtailment	le completion or reco requirements, includi ed Com 4H	mpletion in a new interval, a Form 316 ng reclamation, have been completed,	OVAL
14. I hereby certify that the foregoing is	Electronic Submission #331643 verific For COG OPERATING L	d by the BLM Well LC. sent to the Ca	Information System	)
	mitted to AFMSS for processing by PRI	SCILLA PEREZ or	1 02/17/2016 (16PP0515SE)	/ 1
Name (Printed/Typed) BRIAN MA	NORINO	Title AUTHO	RIZED REPRESENTATIVE	
Signature (Electronic S		Date 02/16/20		
THIS SPACE FOR FEDERAL OR STATE OF CEWAR 1 2 2016 1/4/4				
certify that the applicant holds legal or equivalent would entitle the applicant to condu	d. Approval of this notice does not warrant or itable title to those rights in the subject lease of operations thereon.  U.S.C. Section 1212, make it a crime for any present the subject lease of the	Title Office erson knowingly and	CARLSBAD F VIL OFFICE	Date Date
States any false, fictitious or fraudulent s	statements or representations as to any matter w	ithin its jurisdiction.	·	

## 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.