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

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

$1 \bigcirc \cup 1$						
	Expires: July 3					
tesia	5. Lease Serial No.					
	NMNM120895					

		4.
F	RY NOTICES AND REPORTS ON WELLS	
9	this form for proposals to drill or to re-enter an	
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SUNDRY	NMNM120895  6. If Indian, Allottee or Tribe Name								
Do not use thi abandoned we									
SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No. NMNM135081								
1. Type of Well Gas Well GOI	8. Well Name and No. CABO WABO 25 FEDERAL COM 3H								
2. Name of Operator COG PRODUCTION LLC		9. API Well No. 30-015-42507-00-S1							
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210		)	10. Field and Pool, or Exploratory BONE SPRINGS WILLOW LAKE						
4. Location of Well (Footage, Sec., T	. R., M., or Survey Description)				11. County or Parish, and State				
Sec 25 T25S R29E SWSE 54 32.094943 N Lat, 103.934142	EDDY COUNTY, NM								
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATURE OF	NOTICE, RI	EPORT, OR OTHE	R DATA			
TYPE OF SUBMISSION TYPE OF ACTION									
Notice of Intent	☐ Acidize	☐ Dec	nen	□ Producti	ion (Start/Resume)	■ Water Shut-Off			
·-	☐ Alter Casing	☐ Frac	ture Treat	Reclama	ation	□ Well Integrity			
☐ Subsequent Report	□ Casing Repair	□ New	Construction	. ☐ Recomp	lete .	Other			
☐ Final Abandonment Notice	Change Plans	Plug	and Abandon	☐ Tempora	arily Abandon	Venting and/or Flari			
	· Convert to Injection Plug		Back	■ Water D	Pisposal				
If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final At- determined that the site is ready for final COG Operating LLC respectful from 3/2/16 to 5/31/16	k will be performed or provide the operations. If the operation resultandonment Notices shall be filed that inspection.)  Illy request to flare at the C	te Bond No. on Its in a multiple only after all r abo Wabo 2	file with BLM/BI/c completion or recequirements, includes Fed #3H	A. Required sub ompletion in a n ling reclamation	sequent reports shall be	filed within 30 days			
# of wells to flare: 1, 30-015-42507									
bbls oil/day: 550 mcf/day: 4,500 MAR 2 9 2016 CONDITIONS OF APPROVAL									
Reason: midstream gas curtai	Iment								
	<b>L</b> .	RECE	IVED						
14. I hereby certify that the foregoing is		<del></del>		<del>- / )</del>					
, , ,	Electronic Submission #33	DUCTION L	_C, sent to the (	Carlsbad /	Ŋ	. / /			
Name (Printed/Typed) BRIAN MA		RESENTATIVE	7///						
\					TUVE/U				
Signature (Electronic S	ubmission)		Date 03/07/2	016					
	THIS SPACE FOR	R FEDERA	L OR STATE	office us	E2/2016/	Mall			
Approved By			Title B	JUNEAN STATE	VI MAN DE NI FINLU OFFICE	Date			
onditions of approval, if any, are attached crtify that the applicant holds legal or equ hich would entitle the applicant to condu	itable title to those rights in the st		Office	Johntadana	i igeo ottile				
itle 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a cri	ime for any per	son knowingly and	willfully to ma	ke to any department or a	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.