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UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD

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

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. NMNM114970

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 or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No.		
Type of Well ☐ Gas Well ☐ Other Other				Well Name and No. MultipleSee Attached		
2. Name of Operator COG OPERATING LLC	IORINO	9. API Well No. MultipleSee Attached				
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701	No. (include area code) 221-0467) !	10. Field and Pool, or Exploratory BONE SPRINGS WELCH			
4. Location of Well Grootage, Sec., T		11. County or Parish, and State		and State		
MultipleSee Attached			EDDY COUNTY, NM			
12. CHECK APPI	ROPRIATE BOX(ES) TO INDICAT	E NATURE OF 1	NOTICE, REP	ORT, OR OTHER	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION				-	
Notice of Intent ■	☐ Acidize ☐ De	epen	☐ Production (Start/Resume		■ Water Shut-Off	
	☐ Alter Casing ☐ Fr	acture Treat	☐ Reclamation		■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair ☐ No	ew Construction	☐ Recomplete		☑ Other Venting and/or Flari ng	
☐ Final Abandonment Notice	·	ug and Abandon	☐ Temporarily Abandon			
	☐ Convert to Injection ☐ Plug Back		■ Water Disposal g date of any proposed work and approx			
following completion of the involved testing has been completed. Final Al determined that the site is ready for f	rk will be performed or provide the Bond No. I operations. If the operation results in a multi pandonment Notices shall be filed only after a final inspection.) Illy request to flare at the Screech Ov	ple completion or reco il requirements, includi Il Fed CTB	mpletion in a new ing reclamation, h	rinterval, a Form 3160 ave been completed, a	-4 shall be filed once nd the operator has	
From 5/7/16 to 8/5/16	8	NM OIL CONSERVATION ARTESIA DISTRICT				
# of wells to flare: 2, Screech Owl Fed #2H, 30-015 Screech Owl Fed #4H, 30-015	MAY 2 7 2016					
BBLS oil/day: 700 MCF/Day: 5,775	D	RECEIVED				
Reason: High line pressure						
14. I hereby certify that the foregoing is	true and correct. Electronic Submission #338360 verifi For COG OPERATING I	ed by the BLM Well LC, sent to the Ca	Information Syrlsbad	/stem		
Name (Printed Typed) BRIAN MA	1					
				,		
Signature (Electronic S	ubmission)	Date 05/04/20)16			
	THIS SPACE FOR FEDER	AL OR STATE (OFFICE USE			
Approved By /S/DAVID R. GLASS		Title PETROL	BUM ENGIN	EER	MAY 1 3 2016	
Conditions of approval, if any, are attached ertify that the applicant holds legal or equivalent would entitle the applicant to condu	Office					
itle 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a crime for any	person knowingly and v	willfully to make	to any department or a	gency of the United	

Additional data for EC transaction #338360 that would not fit on the form

Wells/Facilities, continued

Agreement Lease NMNM114970 NMNM11

NMNM114970

Lease NMNM114970 NMNM114970 Weil/Fac Name, Number SCREECH OWL FEDERAL 2H SCREECH OWL FEDERAL 4H

API Number 30-015-42826-00-\$1

30-015-42828-00-\$1

Location Sec 19 T26S R27E NENW 50FNL 1550FWL 32.034921 N Lat, 104.232308 W Lon Sec 19 T26S R27E NENE 190FNL 330FEL 32.034490 N Lat, 104.221237 W Lon

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 (575) 234-5972 Venting and/or Flaring Conditions of Approval

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.

Conditions 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.