Form 3160-5 (August 2007)

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

**NMOCD** Artesia

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

|    | Expires: Jul     |  |
|----|------------------|--|
| 5. | Lease Serial No. |  |
|    | NMNM55929        |  |

| SUNDRY N        | OTICES AND    | REPORTS        | S ON WEL     | LS.     |
|-----------------|---------------|----------------|--------------|---------|
| Do not use this | form for prop | osals to drill | i or to re-e | nter an |
| abandoned well. |               |                |              |         |

| _  |    |         | _  |           |       |      |
|----|----|---------|----|-----------|-------|------|
| 5. | If | Indian. | ΔI | lottee or | Tribe | Name |

| abandoned we  |   | 6. If Indian, Allottee or Tribe Name |  |                                 |                            |  |
|---|---|--------------------------------------|--|---------------------------------|----------------------------|--|
| SUBMIT IN TRI   | 7. If Unit or CA/Agreement, Name and/or No. NMNM124192  |                                      |  |                                 |                            |  |
| 1. Type of Well   |   |                                      | 8. Well Name and No<br>SHOWSTOPPER                             | R 19 FEDERAL COM 5H             |                            |  |
| 2. Name of Operator   | Contact: BRIAN MAI  | ORINO                                |  | 9. API Well No.                 |                            |  |
| COG OPERATING LLC   | E-Mail: bmaiorino@concho.com  |                                      |  | 30-015-37373-0                  |                            |  |
| 3a. Address<br>600 W ILLINOIS AVENUE<br>MIDLAND, TX 79701   | lo. (include area code)<br>221-0467   | )                                    | 10. Field and Pool, or Exploratory WILLOW LAKE-BONE SPRING, SE |                                 |                            |  |
| 4. Location of Well (Footage, Sec., 7                       | C. R., M., or Survey Description)   |                                      |  | 11. County or Parish, and State |                            |  |
| Sec 19 T25S R29E NENW 33                                    | 30FSL 2310FWL   |                                      |  | EDDY COUNT                      | Y, NM                      |  |
| 12. СНЕСК АРРІ  | ROPRIATE BOX(ES) TO INDICAT   | E NATURE OF N                        | OTICE, RE  | PORT, OR OTHE                   | R DATA                     |  |
| TYPE OF SUBMISSION  |   | TYPE OF                              | ACTION   | •                               | ·                          |  |
| Notice of Intent  | ☐ Acidize ☐ De  | epen                                 | ☐ Production   | on (Start/Resume)               | ☐ Water Shut-Off           |  |
|   | . 🗋 Alter Casing 📋 Fra  | eture Treat                          | ☐ Reclamat   | tion'                           | ■ Well Integrity           |  |
| ☐ Subsequent Report   | ☐ Casing Repair ☐ Ne  | w Construction                       | ☐ Recompl  | ete                             | Other                      |  |
| ☐ Final Abandonment Notice                                  | Change Plans Plu  | ig and Abandon                       | ☐ Tempora  | rily Abandon                    | Venting and/or Flari<br>ng |  |
|   | Convert to Injection Plu  | ig Back .                            | ☐ Water Di   | sposal                          | , <u>-</u>                 |  |
| # of wells to Flare: 1, 30-015-3<br>From 5/29/16 to 8/27/16 | Illy request to flare at the Showstoppp   | per 19 Fed Com 5i                    | н  |                                 | L CONSERVATION             |  |
| bbls oil/day: 3<br>mcf/day: 590                             |   |                                      |  |                                 | RTESIA DISTRICT            |  |
| Reason: Unplanned gas curta                                 | ilment  |                                      |  |                                 | JUL 1 1 2016               |  |
|   | ·.  | Accepted                             | for ROUNDOCD   | ecord<br>AB 1/14/11             | RECEIVED                   |  |
| 14. I hereby certify that the foregoing is                  | Electronic Submission #340122 verific   | d by the BLM Well                    | Information  | System                          | ,                          |  |
| Com   | For COG OPERATING L<br>mitted to AFMSS for processing by PR   | LC, sent to the Ca                   | risbad   |                                 |                            |  |
| Name (Printed/Typed) BRIAN MA                               | · · · · · · · · · · · · · · · · · · ·   | ľ                                    | •  | RESENTATIVE                     |                            |  |
|   |   | ,                                    |  |                                 |                            |  |
| Signature (Electronic S                                     | Submission)   | Date 05/24/20                        | )16  |                                 |                            |  |
|   | THIS SPACE FOR FEDERA   | AL OR STATE (                        | OFFICE US  | <b>E</b> .                      |                            |  |
| Approved By DAVID R GLASS                                   | , <u>.</u>  | TitlePETROLE                         | JM ENGINEE   | ≣R                              | Date 06/27/2016            |  |
| Conditions of approval, if any, are attached                | d. Approval of this notice does not warrant or itable title to those rights in the subject lease of operations thereon. | Office Carlsbad                      |  |                                 |                            |  |
|   | U.S.C. Section 1212, make it a crime for any platements or representations as to any matter w                           |                                      | willfully to make  | e to any department or          | agency of the United       |  |

## 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.