Form 3160-5 (August 2007)

DEPARTMENT OF THE INTERIOR NMOCD BUREAU OF LAND MANAGEMENT BUREAU OF LAND MANAGEMENT Artesia

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

FORM APPROVED	
OMB NO. 1004-0135	
Expires: http://dx.2010	

5.	Lease Serial No.
	NMNM108463

6.	If Indian.	Allottee or Tribe	: Nank

abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Atlottee or Tribe Name			
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No. NMNM133219				
1. Type of Well ☐ Gas Well ☐ Other					8. Well Name and No. YELLOW FIN FEDERAL COM 2H			
2. Name of Operator	Contact:	BRIAN MAI	ORINO	-	9. API Well No.			
COG OPERATING LLC	E-Mail: bmaiorino	@concho.com			30-015-41129-0			
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701		3b. Phone No. Ph: 432-23	o. (include area code 21-0467)	10. Field and Pool, or Exploratory WC 015 G 04 S262619C			
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)			11. County or Parish, and State			
Sec 19 T26S R26E NENW 330FNL 1880FWL					EDDY COUNTY, NM			
12. CHECK APP	ROPRIATE BOX(ES) TO	O INDICATI	E NATURE OF 1	NOTICE, RI	EPORT, OR OTHER	R DATA		
TYPE OF SUBMISSION			TYPE O	F ACTION				
Notice of Intent	☐ Acidize	□ Dec	pen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off		
	☐ Alter Casing	🗖 Fra	cture Treat	Reclam		□ Well Integrity		
□ Subsequent Report	□ Casing Repair	. □ Ne	v Construction	Recomp		Other Venting and/or Flari		
☐ Final Abandonment Notice	Change Plans		g and Abandon		arily Abandon	ng		
	Convert to Injection		g Back	☐ Water £				
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)								
COG Operating LLC respectfo	uny request to hare at the	Yellow Fin F			500			
from 6/6/16 to 9/4/16		•	SEE	ATTA	CHED FOR	NOTAL		
wells to flare: 30-015-41129			GA	STEIGH	NS OF APPE	(UVAL		
bbls oil/day: 250 mcf/day: 1,000	·		natat .	ARTESIA D	ISTRICT	•		
Reason: midstream gas curta	ilment	, _		JUL 1	L 2016			
:	Accepte	ed For F	- A - A - 14 - A - 1	16 RECE	IVED	·		
14. I hereby certify that the foregoing is					/			
(Con Name (Printed/Typed) BRIAN MA	For COG C nmitted to AFMSS for proc	PERATING L	.C, sent to the Ca SCILLA PEREZ of	arisbad n 06/ <i>1</i> 0/20/16	V			
				/ hr	12 N 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
Signature (Electronic	Submission)		Date 06/07/2	016	r NU/ED			
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE // 2016 /			
Approved By			Title	1/2		mofflul		
Conditions of approval, if any, are attache certify that the applicant holds legal or equal which would entitle the applicant to condu	uitable title to those rights in the	not warrant or e subject lease	Office	CARLS	F LAND IN LAG MEN BAD IELD UI FILL			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations as	crime for any p to any matter w	erson knowingly and ithin its jurisdiction.	villfully to ma	ike to any department or a	gency of the United		
** BLM REV	ISED ** BLM REVISEI) ** BLM R	EVISED ** BLN	N REVISED	** BLM REVISED	,**		

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).
- 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.