

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

SUNDRY NOTICES AND REPORTS ON WELLS Artesia
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

5. Lease Serial No.
Multiple--See Attached

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
NMNM88525X

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator
COG OPERATING LLC
Contact: KANICIA CASTILLO
E-Mail: kcastillo@concho.com

9. API Well No.
Multiple--See Attached

3a. Address
600 W ILLINOIS AVENUE
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 432-685-4332

10. Field and Pool or Exploratory Area
Multiple--See Attached

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Multiple--See Attached

11. County or Parish, State
EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Venting and/or Flaring
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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, respectfully request to flare at the Burch Keely Unit 23A Battery.
Number of wells to flare: (24)
BURCH-KEELY UNIT #254 30-015-28585
BURCH-KEELY UNIT #314 30-015-31526
BURCH-KEELY UNIT #859 30-015-40383
BURCH-KEELY UNIT #305 30-015-30491
BURCH-KEELY UNIT #850 30-015-40375
BURCH-KEELY UNIT #632 30-015-40327
BURCH-KEELY UNIT #378 30-015-33814
BURCH-KEELY UNIT #116 30-015-03066
BURCH-KEELY UNIT #603 30-015-40275
BURCH-KEELY UNIT #952H 30-015-42760

NM OIL CONSERVATION

ARTESIA DISTRICT

FEB 13 2017

RECEIVED
SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #355683 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 10/24/2016 (17DLM0064SE)**

Name (Printed/Typed) KANICIA CASTILLO	Title PREPARER
Signature (Electronic Submission)	Date 10/24/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____

APPROVED
JAN 25 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #355683 that would not fit on the form

5. Lease Serial No., continued

NMLC028784A
 NMLC028784B
 NMLC028793A
 NMLC028793C

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 611	30-015-38646-00-S1	Sec 23 T17S R29E SESE 1280FSL 105FEL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 116	30-015-03066-00-S1	Sec 23 T17S R29E SWSE 25FSL 1345FEL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 132	30-015-03084-00-S1	Sec 25 T17S R29E NWNW 25FNL 25FWL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 227	30-015-28687-00-S1	Sec 23 T17S R29E SESE 660FSL 50FEL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 254	30-015-28585-00-S1	Sec 26 T17S R29E NENE 25FNL 660FEL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 266	30-015-28886-00-S1	Sec 25 T17S R29E NWNW 50FNL 660FWL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 278	30-015-29809-00-S1	Sec 23 T17S R29E SESE 1295FSL 660FEL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 305	30-015-30491-00-S1	Sec 24 T17S R29E SWSW 1295FSL 660FWL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 312	30-015-31434-00-S1	Sec 23 T17S R29E NESE 2615FSL 660FEL
NMNM88525X	NMLC028784A	BURCH KEELY UNIT 314	30-015-31526-00-S1	Sec 24 T17S R29E NWSW 2615FSL 660FWL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 338	30-015-32756-00-S1	Sec 23 T17S R29E SESE 660FSL 660FEL
NMNM88525X	NMLC028784A	BURCH KEELY UNIT 339	30-015-32700-00-S1	Sec 24 T17S R29E NWSW 1980FSL 655FWL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 378	30-015-33814-00-S1	Sec 23 T17S R29E NESE 2030FSL 710FEL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 603	30-015-40275-00-S1	Sec 23 T17S R29E NESE 2596FSL 1022FEL
NMNM88525X	NMLC028793C	BURCH KEELY UNIT 608	30-015-38571-00-S1	Sec 23 T17S R29E NESE 2190FSL 130FEL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 632	30-015-40327-00-S1	Sec 24 T17S R29E SWSW 660FSL 825FWL
NMNM88525X	NMLC028784A	BURCH KEELY UNIT 84	30-015-03070-00-S1	Sec 24 T17S R29E NWSW 1980FSL 660FWL
NMNM88525X	NMLC028784A	BURCH KEELY UNIT 850	30-015-40375-00-S1	Sec 24 T17S R29E NWSW 2547FSL 805FWL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 859	30-015-40383-00-S1	Sec 25 T17S R29E NWNW 95FNL 805FWL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 860	30-015-40384-00-S1	Sec 24 T17S R29E SESW 10FSL 1795FWL
NMNM88525X	NMLC028784A	BURCH KEELY UNIT 900	30-015-40885-00-S1	Sec 23 T17S R29E NESE 2344FSL 106FEL
NMNM88525X	NMLC028784A	BURCH KEELY UNIT 901	30-015-40886-00-S1	Sec 24 T17S R29E NWSW 2530FSL 1155FWL
NMNM88525X	NMLC028784B	BURCH KEELY UNIT 952H	30-015-42760-00-S1	Sec 24 T17S R29E SWSW 885FSL 260FWL 32.815104 N Lat, 104.035510 W Lon
NMNM88525X	NMLC028793A	BURCH KEELY UNIT 958H	30-015-42242-00-S1	Sec 24 T17S R29E NWSW 2270FSL 210FWL 32.818909 N Lat, 104.035669 W Lon

10. Field and Pool, continued

GRAYBURG JACKSON
 GRAYBURG JACKSON-SR-Q-GRBG-SA
 UNKNOWN

32. Additional remarks, continued

BURCH-KEELY UNIT #900 30-015-40885
 BURCH-KEELY UNIT #608 30-015-38571
 BURCH-KEELY UNIT #227 30-015-28687
 BURCH-KEELY UNIT #339 30-015-32700
 BURCH-KEELY UNIT #611 30-015-38646
 BURCH-KEELY UNIT #958H 30-015-42242
 BURCH-KEELY UNIT #266 30-015-28886
 BURCH-KEELY UNIT #860 30-015-40384
 BURCH-KEELY UNIT #312 30-015-31434
 BURCH-KEELY UNIT #278 30-015-29809
 BURCH-KEELY UNIT #901 30-015-40886
 BURCH-KEELY UNIT #338 30-015-32756
 BURCH-KEELY UNIT #84 30-015-03070
 BURCH-KEELY UNIT #132 30-015-03084
 450 Oil
 1300 MCF
 Requesting 90 flare approval from 10/22/16 to 1/20/16.
 Due to: Frontier shut in for plant maintenance.

Revisions to Operator-Submitted EC Data for Sundry Notice #355683

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	FLARE NOI	FLARE NOI
Lease:	NMLC028793C	NMLC028784A NMLC028784B NMLC028793A NMLC028793C
Agreement:	NMNM88525X	NMNM88525X (NMNM88525X)
Operator:	COG OPERATING LLC 600 W ILLINOIS AVE MIDLAND, TX 79701 Ph: 432-683-7443	COG OPERATING LLC 600 W ILLINOIS AVENUE MIDLAND, TX 79701 Ph: 432.685.4385
Admin Contact:	KANICIA CASTILLO PREPARER E-Mail: kcastillo@concho.com Ph: 432-685-4332	KANICIA CASTILLO PREPARER E-Mail: kcastillo@concho.com Ph: 432-685-4332
Tech Contact:	KANICIA CASTILLO PREPARER E-Mail: kcastillo@concho.com Ph: 432-685-4332	KANICIA CASTILLO PREPARER E-Mail: kcastillo@concho.com Ph: 432-685-4332
Location: State: County:	NM EDDY	NM EDDY
Field/Pool:	GRAYBURG JACKSON	BURCH KEELY-GLORIETA-UPPER YES GRAYBURG GRAYBURG JACKSON GRAYBURG JACKSON-SR-Q-GRBG-SA UNKNOWN
Well/Facility:	BURCH KEELY UNIT 611 Sec 23 T17S R30E Mer NMP 1280FSL 105FEL	BURCH KEELY UNIT 611 Sec 23 T17S R29E SESE 1280FSL 105FEL BURCH KEELY UNIT 116 Sec 23 T17S R29E SWSE 25FSL 1345FEL BURCH KEELY UNIT 132 Sec 25 T17S R29E NWNW 25FNL 25FWL BURCH KEELY UNIT 227 Sec 23 T17S R29E SESE 660FSL 50FEL BURCH KEELY UNIT 254 Sec 26 T17S R29E NENE 25FNL 660FEL BURCH KEELY UNIT 266 Sec 25 T17S R29E NWNW 50FNL 660FWL BURCH KEELY UNIT 278 Sec 23 T17S R29E SESE 1295FSL 660FEL BURCH KEELY UNIT 305 Sec 24 T17S R29E SWSW 1295FSL 660FWL BURCH KEELY UNIT 312 Sec 23 T17S R29E NESE 2615FSL 660FEL BURCH KEELY UNIT 314 Sec 24 T17S R29E NWSW 2615FSL 660FWL BURCH KEELY UNIT 338 Sec 23 T17S R29E SESE 660FSL 660FEL BURCH KEELY UNIT 339 Sec 24 T17S R29E NWSW 1980FSL 655FWL BURCH KEELY UNIT 378 Sec 23 T17S R29E NESE 2030FSL 710FEL BURCH KEELY UNIT 603 Sec 23 T17S R29E NESE 2596FSL 1022FEL BURCH KEELY UNIT 608 Sec 23 T17S R29E NESE 2190FSL 130FEL BURCH KEELY UNIT 632 Sec 24 T17S R29E SWSW 660FSL 825FWL BURCH KEELY UNIT 84 Sec 24 T17S R29E NWSW 1980FSL 660FWL BURCH KEELY UNIT 850 Sec 24 T17S R29E NWSW 2547FSL 805FWL BURCH KEELY UNIT 859 Sec 25 T17S R29E NWNW 95FNL 805FWL BURCH KEELY UNIT 860 Sec 24 T17S R29E SESW 10FSL 1795FWL

BURCH KEELY UNIT 900
Sec 23 T17S R29E NESE 2344FSL 106FEL
BURCH KEELY UNIT 901
Sec 24 T17S R29E NWSW 2530FSL 1155FWL
BURCH KEELY UNIT 952H
Sec 24 T17S R29E SWSW 885FSL 260FWL
32.815104 N Lat, 104.035510 W Lon
BURCH KEELY UNIT 958H
Sec 24 T17S R29E NWSW 2270FSL 210FWL
32.818909 N Lat, 104.035669 W Lon

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Pursuant to **NTL-4A III**, Lessees or operators are hereby authorized to vent or flare gas on a short-term basis without incurring a royalty obligation in the following circumstances:

- A. Emergencies. During temporary emergency situations, such as compressor or other equipment failures, relief of abnormal system pressures, or other conditions which result in the unavoidable short-term venting or flaring of gas. However, this authorization to vent or flare gas in such circumstances without incurring a royalty obligation is limited to 24 hours per incident and to 144 hours cumulative for the lease during any calendar month, except with the prior authorization, approval, ratification, or acceptance of the Supervisor.
- B. Well Purging and Evaluation Tests. During the unloading or cleaning up of a well during drillstem, producing, routine purging, or evaluation tests, not exceeding a period of 24 hours.
- C. Initial Production Tests. During initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first, unless a longer test period has been authorized by the appropriate State regulatory agency and ratified or accepted by the Supervisor.
- D. Routine or Special Well Tests. During routine or special well tests, other than those cited in NTL-4A III.B and C above, only after approval by the Supervisor.

If a flaring event conforms with the requirements listed above as per NTL-4A III., the flared volumes are not royalty bearing and the operator does not need to submit a Sundry Notice. Report flared volumes as unavoidably lost on OGOR B.

Condition of Approval to Flare Gas

1. The first 24 hours of a temporary emergency flare* is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). NTL-4A specifies no more than 24 hours per incident and no more 144 hours cumulative for the lease during any calendar month. These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
2. Flared volumes considered to be "avoidably lost":
 - Exceeding the first 24 hours for each temporary emergency flare event (144 hours cumulative for the lease per month), well purging and evaluation test.
 - During initial well evaluation tests, exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first
 - Scheduled flaring operations

These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in NTL-4A are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with NTL-4A.IV.B.. Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08". If the operator believes that the flared volumes were "unavoidably lost" and the BLM determines them to be "avoidably lost", the operator can submit a more detailed request via Sundry Notice (Form 3160-5) for an exception in accordance with NTL-4A.IV.B.. As an alternative to producing oil and flaring gas the operator may choose to shut the well in and avoid paying royalties on otherwise avoidably lost gas.

3. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a Sundry Notice (Form 3160-5). Include method for volume determination and duration. Report unavoidably lost (first 24 hrs of unexpected event) and avoidably lost (exceeding the first 24 hrs or flared gas that has been approved as avoidably lost by the Authorized Officer) volumes and durations on the Subsequent Report.

5. In determining the volumes of gas to be reported in accordance with NTL-4A the BLM CFO requires 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 Notice (Form 3160-5).
 - If installation of an approved gas meter is not economically feasible for continued operations. Submit Notice of Intent - Sundry Notice (Form 3160-5) to request an alternate method of determining gas volumes with a valid justification. Alternate methods are listed in NTL-4A. The Authorized Officer may require the installation of additional measurement equipment whenever it is determined that the present methods are inadequate to meet the purposes of this Notice.
6. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
7. This approval does not authorize any additional surface disturbance.
8. Subject to like approval from NMOCD

Regulations and Definitions

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.

NTL-4A.IV.B. Oil Well Gas. Except as provided in II.C and III above, oil well gas may not be vented or flared unless approved in writing by the Supervisor. The Supervisor may approve an application for the venting or flaring of oil well gas if justified either by the submittal of (1) an evaluation report supported by engineering, geologic, and economic data which demonstrates to the satisfaction of the Supervisor that the expenditures necessary to market or beneficially use such gas are not economically justified and that conservation of the gas, if required, would lead to the premature abandonment of recoverable oil reserves and ultimately to a greater loss of equivalent energy than would be recovered if the venting or flaring were permitted to continue or (2) an action plan that will eliminate venting or flaring of the gas within 1 year from the date of application.

*Temporary Emergency Flaring is defined as an unexpected situation requiring immediate action. A flaring event is considered an emergency if the occurrence is out of the operators control and the operator had less than 24 hrs notification of the event. Scheduled or routine flare events will not be considered an emergency.