

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**Carlsbad Field Office**
OCD ArtesiaFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMLC029020M

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 27. If Unit or CA/Agreement, Name and/or No.
NMNM133923

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

CARMEN 3 FEDERAL COM 1H

2. Name of Operator

COG OPERATING LLC

Contact: KANICIA CASTILLO

E-Mail: kcastillo@concho.com

9. API Well No.

30-015-39286-00-S1

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
LOCO HILLS-GLORIETA-YESO

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

Sec 3 T17S R30E SWNW 2310FNL 330FWL

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Onshore Order Variance
	<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 add a combustor unit at the Carmen 3 Federal #1H Battery.

Per EPA Code of Federal Regulations (CFR) 40, Part 60, Subpart OOOO (Quad O) all storage tanks that emit, or are expected to emit, more than 6 tons of VOC emissions per year are considered affected NM OIL CONSERVATION facilities and will need to reduce VOC emissions by 95% per Quad-O and therefore required to have controls in place to capture tank emissions.

An enclosed combustion device (combustor) has been installed at the facility to comply with EPA standards. The site security diagram has been updated to reflect these changes.

FEB 24 2017

RECEIVED

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

Electronic Submission #362698 verified by the BLM Well Information System

For COG OPERATING LLC, sent to the Carlsbad

Committed to AFMSS for processing by DEBORAH MCKINNEY on 01/24/2017 (17DLM0566SE)

Name (Printed/Typed) KANICIA CASTILLO

Title PREPARER

Signature (Electronic Submission)

Date 01/04/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DUNCAN WHITLOCK

Title TECHNICAL LPET

Date 02/23/2017

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 Carlsbad

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 ****

Accepted for record - NMOCB

RUP-3-6-17

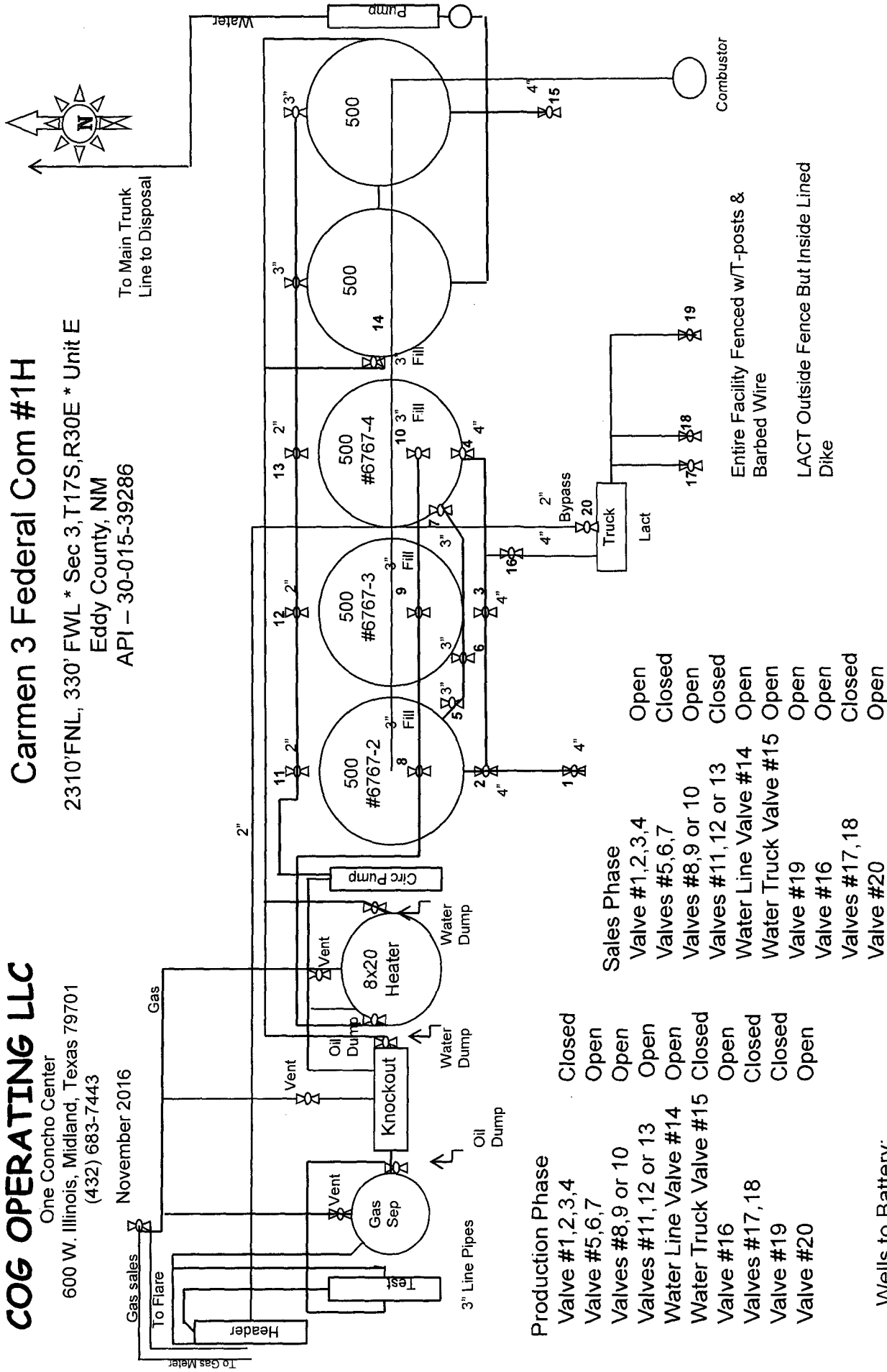
COG OPERATING LLC

One Concho Center
600 W. Illinois, Midland, Texas 79701
(432) 683-7443

November 2016

Carmen 3 Federal Com #1H

2310'FNL, 330' FWL * Sec 3, T17S, R30E * Unit E
Eddy County, NM
API - 30-015-39286



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

**CONDITIONS OF APPROVAL TO INSTALL
VAPOR COMBUSTOR UNIT (VCU)**

**COG Operating LLC
Carmen 3 Federal Com 1H
3001539286, Lease-NMLC029020M & CA-NMNM133923**

- 1. These conditions of approval are for installation of a VCU on low-pressure oil storage tank facilities. This approval is due to the fact that the cost of installing and operating equipment necessary to capture the gas exceeds the value of the gas over the life of the facility. The operator may be required to provide economic justification to the Authorized Officer upon request. The operator may be required to provide volume verification to the Authorized Officer upon request.**
- 2. Comply with NTL-4A requirements.**
- 3. If volume being combusted is less than 50 MCF of gas per day, it is considered "unavoidably lost"; therefore, no royalty obligation shall be accrued and will not be required to be reported.
 - a. "Unavoidably Lost" production shall mean (1) those gas vapors which are released (in this case combusted) from low-pressure storage tanks.****
- 4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and volumes need to be reported on OGOR "B" reports as disposition code "08".**
- 5. Per 43 CFR 3162.7-5(d)/43 CFR 3173.11, site facility diagram must be submitted within 60 days of equipment installation, if one was not attached to this approval.**
- 6. This approval does not authorize any additional surface disturbance.**
- 7. Subject to like approval from NMOCD.**