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. 3. Lease Senai No. NMLC069033 6. If Indian, Allottee or Tribe Name SUBMIT IN TRIPLICATE - Other instructions on page 2 7. If Unit or CA/Agreement, Name 1. Type of Well 8. Well Name and No. FIREFOX 4 FEDERAL COM 5 Ø Oil Well Gas Well Other 9. API Well No. SUGO OPERATING LLC 2. Name of Operator COG OPERATING LLC Contact: CATHY SEELY E-Mail: cseely@concho.com 3a. Address 2208 W MAIN STREET ARTESIA, NM 88210 3b. Phone No. (include area code) Ph: 575-748-1549 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 4 T19S R31E SWSW 670FSL 250FWL EDDY COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION I2. Notice of Intent Acidize		UNITED STATES PARTMENT OF THE II	NTERIOR		MOCD rtesia	OMB N	APPROVED O. 1004-0137 anuary 31, 2018
Do not use this form for proposals to drill of to 4-enter an abandoned well. Use form 3105 (APD) for such proposals. 6. If Indua, Allottee or The Name abandoned well. SUBMIT IN TRIPLICATE - Other Instructions on page 2 7. If Unit or CAAgemenent, Name Comparison of the Name and No. The Name of Power and No. The Name of Name Power and No. The Name of Power and Name of Name of Name Power and Name Power and Name Power and Name of Name Power and N					riesia	5. Lease Serial No.	
Type of Well Out Well Other Type of Well Out	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	
Bott Well Gas well Other FREECOX 4 FEDERAL COM 4 2. Name of Oreanity 9. ATH Will No. 30-015-41423 3a. Address 30-015-41423 30-015-41423 3a. Address 55-73-746-1549 10-01646 area code) 4. Location of Well (Footoge, Sec. T. R. M. or Survey Description) 11. County or Parish, State 2. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION 9. Notice of Intent Address Decopon Production (Start/Resum) Wate 13. Bocquent Report Convert to Indication Recompation (Start/Resum) Well B Well B 13. Bocquent Report Convert to Indication Ping Bask Wate of Intent Address with a groteomatic bask start and protein the start and protein t	SUBMIT IN TI	RIPLICATE - Other inst	tructions on page 2			7. If Unit or CA/Agre	ement, Name and/or
2 Name of Operator COROPERATING LLC E-Mail: cseely@coroha.com Soud54-fields Coronet: CATHY SEELY Soud54-fields Address Soud		r					
2208 W MAIN STREET ARTESIAN M 88210 Ph: 575-745-1549 HACKBERRY-BONE SPR ARTESIAN M 88210 4. Location of Well (Fundage, Sec. T. R. M. or Survey Description) 11. County or Parish, State EDDY COUNTY, NM Sec 4 T19S R31E SWSW 670FSL 250FWL 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 IS Notice of Intent Actidize Deepen Production (Start/Resume) Water Casing Repair IS Notice of Intent Casing Repair New Construction Recomplete Well I Other Construction IS basequent Report Change Plans Plug and Abandon Temporarily Abandon ng Nater Disposal 13. Describe Proposed or Completed Operation. Clearly state all protect datality, licitaling estimated starting due of any proposal work and approximate durating the proposal is deepend freichally encomplete market be informating. Sec. Sec. Sec. Sec. Sec. Sec. Sec. Sec	2. Name of Operator Contact: CATHY SEELY						
Location of Well (<i>Pootage, Sec., T. R. M., or Survey Description</i>) Sec 4 T19S R31E SWSW 670FSL 250FWL II. County or Parish, State EDDY COUNTY, NM I2. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF SUBMISSION TYPE OF ACTION TYPE OF SUBMISSION Acidize Acidize Acidize Acidize Acidize Casing Repair Now Construction Reclamation Well Conserver to Injection Convert to Injection Subsequent Report Convert to Injection Co	2208 W MAIN STREET Ph: 575-748-1549						
		R., M., or Survey Description,)			11. County or Parish,	State
TYPE OF SUBMISSION TYPE OF ACTION Image: Subsequent Report Acidize Deepen Production (Start/Resume) Water Subsequent Report Casing Repair New Construction Recomplete Other Image: Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Image: Subsequent Report Image: Subsequent Report Convert to Injection Plug Back Water Disposal Image: Subsequent Report Image: Subsequent Report Convert to Injection Plug Back Water Disposal Image: Subsequent Report Image: Subs	Sec 4 T19S R31E SWSW 670F	FSL 250FWL				EDDY COUNT	Y <u>,</u> NM
Notice of Intent Acidize Decpen Production (Start/Resume) Water Subsequent Report Casing Repair New Construction Recamation Final Abandonment Notice Change Plans Plug and Abandon Temporarily Abandon I3. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration for the involved operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration of the involved operation: State of the work will be performed or provide the Bond Xo. on file with BLM/BIA. Required subsequent reports markers a Attach the Bane Complete in a multiple completion or recompletion in a new interval, a form 3160-4 must be file during the work will be performed or provide the Bond Xo. on file with BLM. No. Involved the Bind Xo. on file with BLM. No. COG OPERATING LLC RESPECTULLY REQUEST TO FLARE AT THE FIREFOX 4 FED COM 5H. FROM 10/19/17 TO 1/17/18. # OF WELLS TO FLARE: 2 FIREFOX 4 FED COM 4H: 30-015-41571 PIREFOX 4 FED COM 5H. FROM 10/19/17 TO 1/17/18. # OF WELLS TO FLARE: 2 Interview of the involved operation. Submission #391497 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Caribaba Committed to AFMSS for processing by JENNIFER & NOVE CONDITIONS OF APPPROVAL Committed to AFMSS for processing by JENNIFER & NOVE CONDITIONS OF APPROVAL Committed to AFMSS for processing by JENNIFER & NOVE CONDITIONS OF APPROVAL CONDITIONS of ADPROVAL CO	12. CHECK THE API	PROPRIATE BOX(ES)	TO INDICATE NAT	URE OF	F NOTICE, I	REPORT, OR OTI	HER DATA
Notice of Intent S Notice of Intent Casing Repair New Construction Reclamation Subsequent Report Casing Repair New Construction Recomplete Souther of Intent Casing Repair New Construction Recomplete Souther of Intent Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration if the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers as Attach the Bood under which the work will be performed or provide the Fond No. on file with BUMBIA. Required Subsequent reports must be file within 3 following completion of the involved operations. If the operation results in a multiple completion or recomplete must be file within 3 following completion of the involved operations. The operation results in a multiple completion or recompleted and the operation results in a multiple completion or recompleted must be file within 3 following completion of the involved the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. on file with BUMBIA. Required Subsequent reports and provide the Fond No. COG OPERATING LLC RESPECTULLY REQUEST TO FLARE AT THE FIREFOX A FED COM 5H. FROM	TYPE OF SUBMISSION	TYPE OF ACTION					·····
Alter Casing A	Notice of Intent	Acidize	🗖 Deepen		D Productio	on (Start/Resume)	U Water Shut-
Conserve the line of the server of the serv		□ Alter Casing	🗖 Hydraulic Fra	acturing	🗖 Reclamat	tion	🗖 Well Integri
Convert to Injection Convert to Injection Plug Back Water Disposal Water Disposa	□ Subsequent Report	Casing Repair	🗖 New Constru	ction	🗖 Recompl	ete	
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration if the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers a Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Recurred subsequent reports must be filed wills and with BLM/BIA. Required subsequent reports must be filed wills are uniterval, a Form 3160-4 must be firsting has been completed. Final Abandoment Notices must be filed only after all requirements, including reclamation, have been completed. Final Abandoment Notices must be filed only after all requirements, including reclamation, have been completed and the operation. COG OPERATING LLC RESPECTULLY REQUEST TO FLARE AT THE FIREFOX 4 FED COM 5H. FROM 10/19/17 TO 1/17/18. # OF WELLS TO FLARE: 2 FIREFOX FED COM 4H: 30-015-41571 CONDITIONS OF APPROVAL ARTESIA DISTRICT SCHEMENT CONDITIONS OF APPROVAL MCF/DAY: 60 NOV 0 7 2017 CONDITIONS OF APPROVAL MCF/DAY: 65 NOV 0 7 2017 RECEIVED 14. Thereby certify that the foregoing is true and correct. Electronic Submission #391497 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 101/11/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USET Approved By Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable fitte on those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Final Abandonment Notice	Change Plans	Plug and Abandon		rily Abandon	-	
If the proposal is to deepen directionally or recomplete horizontally, give subsarface locations and measured and true vertical depths of all pertinent markers a Attach the Bond with the work with B performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be file within a multiple completion or new interval, a Form 3160-4 must be file within the work with the subsect on the involved operations. If the operation results in a multiple completion or completion in a new interval, a Form 3160-4 must be file with BLM/BIA. Required subsequences must be filed with a file only after all requirements, including reclamation, have been completed and the operatidetermined that the site is ready for final inspection. COG OPERATING LLC RESPECTULLY REQUEST TO FLARE AT THE FIREFOX 4 FED COM 5H. FROM 10/19/17 TO 1/17/18. # OF WELLS TO FLARE ? FIREFOX FED COM 4H: 30-015-41571 CONDITIONS OF APPROVAL ARTESIA DISTRICT SLE ATTACHED FOR FIREFOX 4 FED 5H: 30-015-41423 BBLS OIL/DAY: 25 NOV 0 7 2017 NOV 0 7 2017 NOV 0 7 2017 RECEIVED 14. Thereby certify that the foregoing is true and correct. Electronic Submission #391497 verified by the BLM Viell Information System For COG OPERATING LLC, sent to the Carlsbace Committed to AFMSS for processing by JEMNIFER SANCHEZ on 1011/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USEF Approved By Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equivable title to those rights in the subject lease which would entitle the applicant holds legal or equivable title to those rights in the subject lease which would entitle the applicant holds legal or equivable title to those rights in the subject lease which would entitle the applicant holds legal or equivable title to those rights in the subject lease which would entit the applicant holds legal or equivable title to						sposal	
BBLS OIL/DAY: 25 MCF/DAY: 60 NOV 07 2017 CONDITIONS OF APPROVAL RECEIVED RECEIVED 14. Thereby certify that the foregoing is true and correct. Electronic Submission #391497 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/11/2017 Name (Printed/Typed) CATHY SEELY Signature (Electronic Submission) Date 10/10/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USET (b) 2017 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 tile to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Title 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	FROM 10/19/17 TO 1/17/18.	1					
MCF/DAY: 60 RECEIVED 14. I hereby certify that the foregoing is true and correct. Electronic Submission #391497 verified by the BLM Well Information Syster For COG OPERATING LLC, sent to the Carisbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/11/2017 Name (Printed/Typed) CATHY SEELY Signature (Electronic Submission) Date 10/10/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USET 6 2017 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. Title 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	FIREFOX FED COM 4H: 30-01 FIREFOX 4 FED 5H: 30-015-41			SEE A	ATTACI	HED FOR	OVAL
14. I hereby certify that the foregoing is true and correct. Electronic Submission #391497 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/11/2017) Name (Printed/Typed) CATHY SEELY Signature (Electronic Submission) Date 10/10/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USET 6 2017 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. Title 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	BBLS OIL/DAY: 25 MCF/DAY: 60		NOV 07 2017	CONI	$\gamma = \gamma = \gamma = \gamma$		DVAL
Electronic Submission #391497 verified by the BLM Well Information System For COG OPERATING LLC, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/11/2011 Name (Printed/Typed) CATHY SEELY Signature (Electronic Submission) Date 10/10/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USET 6 2017 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. Title 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		K.	RECEIVED				Ň
Name (Printed/Typed) CATHY SEELY Title ENGINEERING TECH Signature (Electronic Submission) Date 10/10/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USE: 16 2017 Approved By_ Title BUREAU OF AND MARKED AND AND AND AND AND AND AND AND AND AN		Electronic Submission #3	391497 verified by the	BLM Well	I Information	System	
Signature (Electronic Submission) Date 10/10/2017 THIS SPACE FOR FEDERAL OR STATE OFFICE USET 6 2017 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. Title 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.							ļ
THIS SPACE FOR FEDERAL OR STATE OFFICE USE: 6 2017 Approved By_ Title BUREAU OF AND ADDITION (ADDITION OF ADDITION	Name (Printed/Typed) CATHY SEI	ELY	Title	ENGINE		PACYEN	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE: 6 2017	Signatura (Elastronia Su	hmission)	Data	10/10/20		THUTED	7 /
Approved By		<u> </u>					
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. 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.			FEDERAL OR S		DEFICE US	<u> </u>	IAL
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. 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	Approved By		Title	Y	Δ	A	A hate
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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	Conditions of approval, if any, are attached. certify that the applicant holds legal or equit	able title to those rights in the	not warrant or subject lease		CARLS	ELLIND THE OFFICE	<u> </u>
	minen would entrie the applicant to conduct			ingly and v	willfully to mak	to any department or	agency of the Unite
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **	Title 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent sta	itements or representations as	to any matter within its ju	isdiction.			

.

Additional data for EC transaction #391497 that would not fit on the form

32. Additional remarks, continued

REASON: UNPLANNED MIDSTREAM CURTAILMENT

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

Pursuant to, 43 CFR 3179

Lessees or operators are hereby authorized to vent or flare gas on a short-term basis <u>without incurring a</u> <u>royalty</u> obligation in the following circumstances:

- A. 43 CFR 3179.105 Emergencies (a) An operator may flare or, if flaring is not feasible given the emergency, vent gas royalty-free under §3179.4 (a) (vi) of this subpart during an emergency. For purposes of this subpart, an "emergency" is a temporary, infrequent and unavoidable situation in which the loss of gas or oil is uncontrollable or necessary to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment. For purposes of royalty assessment, an "emergency" is limited to a short-term situation of 24 hours or less (unless the BLM agrees that the emergency conditions necessitating venting or flaring extend for a longer period) caused by an unanticipated event or failure that is out of the operator's control and was not due to operator negligence.
- B. 43 CFR 3179.4 Determining when the loss of oil or gas is avoidable or unavoidable.
 (2) Avoidably lost oil or gas means: Lost oil or gas that is not "unavoidably lost," as defined in paragraph (a) of this section; waste oil that became waste oil through operator negligence; and, any "excess flared gas," as defined in §3179.7.
- C. 43 CFR 3179.5 When lost production is subject to royalty.
 (a) Royalty is due on all avoidably lost oil or gas.
 (b) Royalty is not due on any unavoidably lost oil or gas.

Condition of Approval to Flare Gas

- 1. The first 24 hours of a <u>temporary emergency flare</u> 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). 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":

These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179. 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 43 CFR 3179.4, 3179.103 - 3179.105. 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). <u>Include method for volume determination and duration</u>. <u>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.</u>
- 5. In determining the volumes of gas to be reported, shall be in accordance with 43 CFR 3179.4, 43 CFR 3179.5, 43 CFR 3179.9 and 43 CFR 3179.10
- 6. The operator must estimate or measure all volumes of gas vented or flared gas by one of the following methods.
 - i. Measure the flare gas by a meter. The meter shall meet all requirements for a sales meter as per Federal Regulations, 43 CFR 3175 (due to volume of gas being flared). Include meter serial number on Sundry Notice (Form 3160-5).
 - Calculate the volume of the flared gas based on the results of a regularly performed GOR test and measured values for the volumes of oil production and gas sales, so as to allow BLM to independently verify the volume, rate, and heating value of the gas flared.

Regulation Ref: Link to 43 CFR 3179 Waste Prevention and Resources Conservation; <u>https://www.ecfr.gov/cgi-</u>

bin/retrieveECFR?gp=1&SID=dbd49eda8cdc488870172ed096d47be9&ty=HTML&h=L&mc=true &n=sp43.2.3170.3179&r=SUBPART