Form 3160-5 (June 2015).

UNITED STATES DEPARTMENT OF THE INTERIOR TISDAD FIELD

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

5: Lease Serial No. NMNM100541

SUNDRY NOTICES AND REPORTS ON WELL AND NMNM100541 Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. ATTESIA NMNM100541 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.	
Type of Well					8. Well Name and No. PURDY 8 FEDERAL 1	
2. Name of Operator Contact: CATHY SEELY COG PRODUCTION LLC E-Mail: CSEELY@CONCHO.COM					9. API Well No. 30-015-36273-00-S1	
3a. Address 3b. Phone No. 2208 W MAIN STREET Ph: 575-748 ARTESIA, NM 88210 Ph: 575-748			. (include area code) 8-1549			Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State	
Sec 8 T23S R26E NENE 1140FNL 1240FEL					EDDY COUNTY, NM	
12. CHECK THE AP	PROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE,	REPORT, OR OTH	IER DATA
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	☐ Acidize	☐ Acidize ☐ Deepen		☐ Producti	ion (Start/Resume)	■ Water Shut-Off
	□ Alter Casing	☐ Hyd	raulic Fracturing	☐ Reclamation		■ Well Integrity
☐ Subsequent Report	☐ Casing Repair ☐ New		Construction	☐ Recomplete		Other Venting and/or Flari
☐ Final Abandonment Notice	☐ Change Plans				ng	
	☐ Convert to Injection	☐ Plug	g Back	☐ Water Disposal		
13. Describe Proposed or Completed Ope If the proposal is to deepen directiona Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi	ally or recomplete horizontally, it will be performed or provide operations. If the operation re andonment Notices must be fil	give subsurface the Bond No. or sults in a multip	locations and measu in file with BLM/BIA e completion or reco	red and true ve Required sub Empletion in a r	rtical depths of all pertin osequent reports must be new interval, a Form 316	ent markers and zones. filed within 30 days 0-4 must be filed once
COG OPERATING LLC RESP	PECTFULLY REQUEST	TO FLARE A	T THE PURDY 8	FEDERAL	#1.	
FROM 8/31/18 TO 11/29/18.						ED .
# OF WELLS TO FLARE: 1 PURDY 8 FEDERAL #1: 30-015-36273 BBLS OIL/DAY: 2 MCF/DAY: 20 ACCEPTED					record	
BBLS OIL/DAY: 2 MCF/DAY: 20			VCcet	VINGC	SEP 07	2018
				91121	DISTRICT II-ARTE	SIA O. C.D .
14. I hereby certify that the foregoing is true and correct. Electronic Submission #433514 verified by the BLM Well Information System For COG PRODUCTION LLC, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 09/04/2018 (18PP2572SE) Name (Printed/Typed) CATHY SEELY Title ENGINEERING TECH						
Signature (Electronic Submission)			Date 08/31/2018			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
	Title Petroleum Engineer SEP 0.5 2018					
Approved By			Title Petroleum Engineer SEP 1010 2010			
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu	Carlsbad Field Office					
Fitle 18 II S.C. Section 1001 and Title 43	U.S.C. Section 1212 make it a	crime for any n	erson knowingly and	willfully to ma	ake to any department or	agency of the United

Additional data for EC transaction #433514 that would not fit on the form

32. Additional remarks, continued

REASON: PURCHASER LOCKED US OUT DUE TO HIGH H2S

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Condition of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- 2. All flaring under this request is considered to be "avoidably lost":

 Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. 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".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 3179.105.