For 3160-5 (June 2015)

| UNITED STATES PARTMENT OF THE INTE RUMENT UREAU OF LAND MANAGEMENT | hadal | Field | OHICE | OMB NO. 1004-013 |
|---|---------|-------|------------|-------------------------|
| PARIMENT OF THE INTERIOR | NO MOOO | | ــــــا ه | Expires: January 31, 20 |
| UREAU OF LAND MANAGEMENT | OCD | Arte | 5. Lease S | erial No. |

| DE | Expires: Jai | nuary 31, 2018 | | | | |
|--|---|---|---|--|--|---|
| BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Po not use this form for proposals to drill or to re-enter an | | | | | 5. Lease Serial No. NMNM100858 | |
| 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 | | |
| SUBMIT IN TRIPLICATE - Other instructions on page 2 | | | | 7. If Unit or CA/Agreement, Name and/or No. NMNM100858 | | |
| Type of Well ☐ Gas Well ☐ Other | | | | | 8. Well Name and No. BLUE THUNDER 5 FEDERAL COM 6H | |
| Name of Operator COG OPERATING LLC | Contact: CATHY SEELY E-Mail: CSEELY@CONCHO.COM | | | | 9. API Well No. 30-015-41614-00-S1 | |
| 3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701 | | 3b. Phone No. (Ph: 575-748 | o. (include area code) 48-1549 | | 10. Field and Pool or Exploratory Area HACKBERRY-BONE SPRING | |
| 4. Location of Well (Footage, Sec., T. | , R., M., or Survey Description | i) | | | 11. County or Parish, S | State |
| Sec 5 T19S R31E SENE 1740 32.413816 N Lat, 103.530027 | | | , | | EDDY COUNTY | , NM |
| 12. CHECK THE AF | PROPRIATE BOX(ES) | TO INDICAT | E NATURE OI | F NOTICE, | REPORT, OR OTH | ER DATA |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | |
| | ☐ Acidize | ☐ Deepe | n | ☐ Product | ion (Start/Resume) | ■ Water Shut-Off |
| ■ Notice of Intent | ☐ Alter Casing | ☐ Hydra | ulic Fracturing | ☐ Reclam | ation | ■ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | □ New (| Construction | □ Recomp | lete | ☐ Other |
| ☐ Final Abandonment Notice | ☐ Change Plans | _ | ☐ Plug and Abandon | | arily Abandon | Venting and/or Flari |
| _ | ☐ Convert to Injection | | | ☐ Water D | • | ng |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit COG OPERATING LLC RESEFROM 5/13/19 TO 8/11/19. # OF WELLS TO FLARE: 1 BLUE THUNDER 5 FEDERAL BBLS OIL/DAY: 60 MCF/DAY: 135 REASON: UNPLANNED MIDS | ally or recomplete horizontally, it will be performed or provide operations. If the operation re oandonment Notices must be fil inal inspection. PECTFULLY REQUEST COM #6H: 30-015-4161 | give subsurface loe the Bond No. on fesults in a multiple led only after all re | cations and measurile with BLM/BIA completion or recognirements, including THE BLUE THU | red and true ve . Required sul impletion in a r ing reclamation | prical depths of all pertinosequent reports must be new interval, a Form 3160 n, have been completed a | ent markers and zones. filed within 30 days 0-4 must be filed once nd the operator has |
| 14. I hereby certify that the foregoing is | Electronic Submission # | | by the BLM Wel | I Information | n System | |
| Con | nmitted to AFMSS for proc | OPERATING LLC essing by PRISO | CILLA PEREZ or | 1 05/07/2019 | (19PP1962SE) | |
| Name (Printed/Typed) CATHY S | EELY | | Title ENGINE | ERING TE | CH | |
| Signature (Electronic S | Submission) | | Date 05/07/20 | 019 | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | |
| | | | | | | 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |

| Approved By | _/s/ Jonat | hon Shepard | |
|------------------------|---------------------|-------------------------|---------------------|
| Conditions of opproval | if any are attached | Approval of this notice | does not warrant or |

ти Petroleum Engineer Carlsbad Field Office

| WAY 1 0 201!

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT

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

Conditions of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). 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, 3179.101 3179.104.