Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. NMNM102031

abandoned well. Use form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on reverse side.					6. If Indian, Allottee or Tribe Name		
					7. If Unit or CA/Agreement, Name and/or No. NMNM124451		
1. Type of Well Soli Well □ Gas Well □ Other					8, Well Name and No. SHOCKER 20 FEDERAL COM 1H		
Name of Operator COG OPERATING LLC	ORINO		9. API Well No. 30-015-36430-00-S1				
3a. Address 600 W ILLINOIS AVENUE MIDLAND, TX 79701	W ILLINOIS AVENUE 3b. Phone N Ph: 432-2			;)	10. Field and Pool, or Exploratory WILLOW LAKE		
4. Location of Well (Footage, Sec., 7			11. County or Parish, and State				
Sec 20 T25S R29E NWSW 1750FSL 330FWL					EDDY COUNTY, NM		
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATI	E NATURE OF	NOTICE, R	L EPORT, OR OTHE	R DATA	
· TYPE OF SUBMISSION	TYPE O				•		
) ·	[] Acidize	☐ Deepen		☐ Production (Start/Resume)		☐ Water Shut-Off	
Notice of Intent ■	[] Alter Casing	☐ Fra	cture Treat	☐ Reclamation		■ Well Integrity	
☐ Subsequent Report	Casing Repair	□ Ne	w Construction	□ Recomplete		Other	
☐ Final Abandonment Notice	Change Plans	☐ Plug and Abandon		☐ Tempor	rarily Abandon	Venting and/or Flari	
	Convert to Injection	n 🔲 Plug Back 📋 Water D		Disposal	6		
testing has been completed. Final Ab determined that the site is ready for fit COG Operating LLC respectful for wells to Flare: 1, 30-015-3	nal inspection.) illy request to flare at the S	-	•	,	is have been completed, i	and the operator has	
From 5/29/16 to 8/29/16	•						
bbls oil/day: 3 mcf/day: 340			NM OIL CONSERVATION ARTESIA DISTRICT				
Reason: Unplanned gas curtailment ACCE		ccepto N	ted For Record NMOCD		JUL 11	2016	
<u> </u>			F		RECEIV	/ED	
14. I hereby certify that the foregoing is	Electronic Submission #34	ERATING L	.C, sent to the C	arisbad	•		
Name(Printed/Typed) BRIAN MA	NOR INO		Title AUTHO	RIZED REP	RESENTATIVE	· · · · · · · · · · · · · · · · · · ·	
Signature (Electronic S	ubmission)	i	Date 05/24/2	016			
	THIS SPACE FOR	R FEDERA	L OR STATE	OFFICE U	SE		
Approved By DAVID R GLASS			TitlePETROLE	UM ENGINE	ER	Date 06/27/2016	
onditions of approval, if any, are attached	I. Approval of this notice does no	ot warrant or	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	CON ENTONIA	5. T. 7		
rtify that the applicant holds legal or equ	itable title to those rights in the si	ubiect lease					

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.

Office Carlsbad

which would entitle the applicant to conduct operations thereon.

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 E. Greene Carlsbad, New Mexico 88220-6292 (575) 234-5972 Venting and/or Flaring Conditions of Approval

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes, and volumes), and has determined the following Conditions of Approval apply.

Conditions of Approval to Flare Gas

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08"
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
- 5. 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 (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

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.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.