Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

Artesia

FORM APPROVED OMB NO. 1004-0135

Expires: July 31, 2010
Lease Serial No.

SUNDRY Do not use th abandoned we	NMNM120895	5. Lease Serial No. NMNM120895 6. If Indian, Allottee or Tribe Name			
SUBMIT IN TR	7. If Unit or CA/Agr	7. If Unit or CA/Agreement, Name and/or No. 8. Well Name and No. PATRON 23 FEDERAL 1H			
i. Type of Well Gas Well Or					
Name of Operator COG PRODUCTION LLC	9. API Well No. 30-015-36776	9. API Well No. 30-015-36776-00-S1			
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210	-	3b. Phone No. (include area code Ph: 432-221-0467		10. Field and Pool, or Exploratory WILLOW LAKE-BONE SPRING	
4. Location of Well (Footage, Sec., 1 Sec 23 T25S R29E NWNW 9 32.120049 N Lat, 103.961926		11. County or Parish, and State EDDY COUNTY, NM			
12. СНЕСК АРР	ROPRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, REPORT, OR OTHE	ER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION				
☑ Notice of Intent ☐ Subsequent Report	☐ Acidize ☐ Alter Casing ☐ Casing Repair	☐ Deepen ☐ Fracture Treat ☐ New Construction	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete	Water Shut-Off □ Well Integrity ☑ Other	
Final Abandonment Notice	☐ Change Plans ☐ Convert to Injection	nange Plans Plug and Abandon Tem		Venting and/or Flari ng	

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 flare at the Patron 23 Federal #1H

of wells to Flare: 1, 30-015-36776

From 5/31/16 to 8/29/16

bbls oil/day: 120 mcf/day: 2,500

Reason: midstream curtailment

Accepted For Record NMOCD

14. I hereby certify	that the foregoing is true and correct. Electronic Submission #340142 verifie For COG PRODUCTION L Committed to AFMSS for processing by PRI	lLC. se	nt to the Carlsbad	
Name (Printed/Ty	ped) BRIAN MAIORINO	Title	AUTHORIZED REPRESENTATIVE	
Signature	(Electronic Submission)	Date	05/24/2016	
	THIS SPACE FOR FEDERA	L OR	STATE OFFICE USE	
_Approved By_DAV	'ID_R GLASS	TitleF	PETROLEUM ENGINEER	Date 06/27/2016
certify that the applica-	I, if any, are attached. Approval of this notice does not warrant or nt holds legal or equitable title to those rights in the subject lease e 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.

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.