Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Evericae: Inlu 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Lease Serial No. NMNM121474

CONDICT		6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. NMNM134623				
Do not use the abandoned we						
SUBMIT IN TRI	,					
I. Type of Well Gas Well Gas Well Ott	ner		8. Well Name and No. RIDGE NOSE FEDERAL COM 1H			
2. Name of Operator COG PRODUCTION LLC	Contact: E-Mail: bmaiorino	PRINO .		9. API Well No. 30-015-42391-00-S1		
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210	3b. Phone No Ph: 432-22	o. (include area coo 21-0467	de)	10. Field and Pool, or Exploratory BRUSHY DRAW		
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description			11. County or Parish, and State		
Sec 31 T26S R29E SWNE 20 32.000509 N Lat, 104.022282		EDDY COUNTY,			Y, NM	
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE	NATURE OF	NOTICE, RE	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	-	TYPE OF ACTION				
Notice of Intent	☐ Acidize	☐ Dee	□ Deepen		on (Start/Resume)	■ Water Shut-Off
	Alter Casing	☐ Fracture Treat		Reclama	ation	☐ Well Integrity
☐ Subsequent Report	□ Casing Repair	□ New	v Construction	☐ Recomp	lete	☑ Other Venting and/or Flari ng
☐ Final Abandonment Notice	Change Plans .	Plug	g and Abandon	. Tempor	arily Abandon	
	☐ Convert to Injection	🗖 Plug	Back	■ Water Disposal		
COG Operating LLC respectful # of wells to Flare: 1, 30-015-4		Ridge Nose F	Fed Com 1H		NM OIL CONS	ERVATION
From 5/31/16 to 8/29/16	•	ARIEDII				
bbls oil/day: 217 mcf/day: 1,150	A .		JUL 1 1 2016			
Reason: midstream curtailmer	t AC	cepted NM	For Rec OCD	or d	RECE	IVED
14. I hereby certify that the foregoing is	Electronic Submission #	RODUCTION L	LC, sent to the	Carlsbad	-	
Name (Printed/Typed) BRIAN MA	Title AUTHORIZED REPRESENTATIVE					
Signature (Electronic S	ubmission)		Date 05/24/	/2016		
	THIS SPACE FO	R FEDERA			E	
Approved By DAVID R GLASS			TitlePFTRO	EUM ENGINE	FR ·	Date 06/27/2016
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conductive th	Office Carlsbad					
Title 18 U.S.C. Section 1001 and Title 43 U		crime for any per	<u> </u>		te to any department or	agency of the United
States any false, fictitious or fraudulent s					owportment of	

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.