UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMEN CARISDAD FIELD

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

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter Artesia

NMNM0553777

If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 NMNM124947 1. Type of Well 8. Well Name and No GRAVE DIGGER FEDERAL COM 1H ☑ Oil Well ☐ Gas Well ☐ Other 2. Name of Operator COG OPERATING LLC 9. API Well No. DANA KING Contact: 30-015-37665-00-S1 E-Mail: dking@concho.com 10. Field and Pool or Exploratory Area
N SEVEN RIVERS-GLOR-YESO 3a Address 3b. Phone No. (include area code) 600 W ILLINOIS AVENUE Ph: 432-818-2267 MIDLAND, TX 79701 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 2 T20S R25E NWNW 330FNL 380FWL EDDY COUNTY, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Acidize □ Deepen ☐ Production (Start/Resume) □ Water Shut-Off Notice of Intent □ Alter Casing ☐ Hydraulic Fracturing □ Reclamation ■ Well Integrity ☐ Subsequent Report Other Casing Repair ■ New Construction ☐ Recomplete Venting and/or Flari □ Change Plans ☐ Final Abandonment Notice □ Plug and Abandon ☐ Temporarily Abandon ☐ Convert to Injection ☐ Plug Back ☐ Water Disposal 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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 must be filed within 30 days testing has been completed. Final Abandonment Notices must 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 REQUESTS TO FLARE AT THE GRAVE DIGGER FEDERAL COM BATTERY. NUMBER OF WELLS TO FLARE: (2) **GRAVE DIGGER FEDERAL COM #1H** API #30-015-37665 RECEIVED **GRAVE DIGGER FEDERAL COM #5H** API #30-015-40412 WIII18AB FROM 06/01/2018 thru 08/30/2018 .IUN **0 6** 2018 BBLS OIL/DAY: 125 FOR RECORDS ONLY MCF/DAY: 500 DISTRICT II-ARTESIA O.C.D. 14. I hereby certify that the foregoing is true and correct Electronic Submission #421823 verified by the BLM Well Information System
For COG OPERATING LLC, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 05/30/2018 (18PP1841SE) Name (Printed/Typed) **DANA KING** SUBMITTING CONTACT (Electronic Submission) Signature 05/30/2018 THIS SPACE FOR FEDERAL OR STATE OFFICE USE /s/ Jonathon Shepard tr/4/18 PETROLEUM ENGINEER Title _Approved By 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. Office

Additional data for EC transaction #421823 that would not fit on the form

32. Additional remarks, continued

REASON: UNPLANNED MIDSTREAM CURTAILMENT DUE TO PLANT MAINTENANCE, COMPRESSOR MAINTENANCE, PIPELINE REPAIRS AND HIGH LINE PRESSURE.

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.
- All flaring under this request is considered to be "avoidably lost":
 Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
 Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

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.