Form 3160-5	OCD Hobbs FORM APPROVED						
(March 2012)	UNITED STATE PARTMENT OF THE				OMB No. 1004-0137 Expires: October 31, 2014		
DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT					5. Lease Serial No. NMNM-0315712	pires. October 51, 2014	
SUNDRY NOTICES AND REPORTS ON WELLS					6. If Indian, Allottee or	Tribe Name	
Do not use this	form for proposals t	o drill or to	re-enter an		N/A		
abandoned well.	Use Form 3160-3 (A	PD) for su	ch proposa/s ଜାଠିନା	SOCD			
SUBM	IT IN TRIPLICATE - Other	instructions of	n page 2.		7. If Unit of CA/Agree	ment, Name and/or No.	
i. Type of Well			CEP	29 201	AN/A		
SUBMIT IN TRIPLICATE - Other Instructions on page 2. i. Type of Well Image: Other Instruction of Well Image: Other Instruct of Well Image					Sneed 9 Federal Co	m 2H 🦯	
2. Name of Operator COG Operating, LLC					9. API Well No. 30-015-41409	ى	
3a. Address 3b. Phone No. (One Concho Center, 600 W. Illinois Ave.					10. Field and Pool or E		
Midland, TX 79701 432-685-4385					Maljamar; Yeso, We		
4. Location of Well (Footage, Sec., T Sec 9, T17S, R32E, NWNW, 990 FNL 150 FV)	11. County or Parish Lea County, NM			itate .	
· · · · · · · · · · · · · · · · · · ·	CK THE APPROPRIATE BO	X(ES) TO IND	ICATE NATURE	OF NOTIC	E, REPORT OR OTHE	ER DATA	
TYPE OF SUBMISSION		<u> </u>	ТҮР	E OF ACT	ION		
Notice of Intent	Acidize	Deep Deep	en	Produ	ction (Start/Resume)	Water Shut-Off	
	Alter Casing	a second	ure Treat	Recla	imation	Well Integrity	
Subsequent Report	Casing Repair	_	Construction	=	mplete	Other	
··· · · · · · · · · · · · · · · · · ·	Change Plans	_	and Abandon		orarily Abandon	<u></u>	
Final Abandonment Notice	Convert to Injection	Plug		<u> </u>	r Disposal	and approximate duration thereof. If	
determined that the site is ready to SOG respectfully requests permis The frac pond is indicated on the a size.	sion to construct a frac pon attached plat from the SE of						
Onsite has been performed with T	anner Nygren (NRS).						
-					NM	OIL CONSERVATION ARTESIA DISTRICT	
						OCT (9 2014	
					,	RECEIVED	
-							
4. I hereby certify that the foregoing is	s true and correct. Name (Printe	ed/Typed)	<u> </u>		···		
Robyn M. Odom			Title Regulato	ry Analyst			
Signature Alan Joan			Date 05/12/2014				
	THIS SPACE	FOR FEDE	RAL OR ST	ATE OF	FICE USE		
Approved by			I	FIELD MA	NAGER	<u> </u>	
Conditions of approval, if any, are attack that the applicant holds legal or equitabl antitle the applicant to conduct operation	e title to those rights in the subjects the subjects of the subject of the subjec	ect lease which w	ould Offi CARL		ELDOFFICE	Date K-2	
Title 18 U.S.C. Section 1001 and Title Titlicitious or fraudulent statements or re				nd willfully 1	to make to any department	nt or agency of the United States any false	
(Instructions on page 2)							

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BLM LEASE NUMBER: NMNM0315712 <u>COMPANY NAME</u>: COG Operating LLC <u>ASSOCIATED WELL NAME</u>: Sneed 9 Federal Com 2H Fresh Water Frac Pond

FRAC POND CONDITIONS OF APPROVAL

A copy of the application (APD, Grant, or Sundry Notice) and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.

2. The Holder shall-comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.

3. Required Standard Conditions of Approval:

a. Notification

Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.

b. Freshwater Only

The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer in writing.

c. <u>Contamination</u>

If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly. The operator will preclude releases of oil into open pits. The operator must remove any accumulation of oil, condensate, or contaminant in a pit within 48 hours of discovery.

d. Authorized Disturbance

Confine all construction and maintenance activity to the approved authorized area applied for in the application.

e. Facilities

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations. Grey-water, sewage, and trash shall be removed from the site and disposed of properly at a state approved facility.

f. Escape Ramps

The operator will construct and maintain frac ponds to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in frac ponds. Escape ramps must be installed at every corner of

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the frac pond and in the center of each side if that side exceeds 100 feet in length. Escape ramps must be in contact with the side of the frac pond, bottom of the frac pond, and the top of the frac pond berm. Escape ramps <u>cannot</u> be made of metal and <u>cannot</u> be steeper than a 3:1 slope (Horizontal Distance: Vertical Distance) or 30% slope. (*Examples of escape ramps: 12" wide wooden planks wrapped in matting, felt lining, etc.*)

g. Frac Pond Pipelines

Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer in writing.

h. Mineral Material from Excavation

Mineral materials extracted during construction of the frac pond will be stored onlocation and/or used for constructing the frac pond.

i. Frac Pond Liner

The frac pond will be lined with at least a 30 mil. plastic liner. The plastic lining will be removed prior to final abandonment.

j. <u>Topsoil Stockpile</u>

The operator shall strip at least the top 6 inches of soil (root zone) from the entire frac pond area and stockpile the topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion. Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.

k. Frac Pond Fence

The operator will install and maintain exclosure fencing on all sides of the frac pond to prevent access to public, livestock, and large forms of wildlife. The fence shall be installed at the base of the berm and never on top of the berm. Construction of the fence shall consist of steel and/or wooden posts set firmly into natural ground. Hog panel or chain-link fencing must be used as the fence and tied securely to the fence posts. Barbed-wire fencing or electric fences <u>shall not</u> be used. The fence height <u>shall not</u> be shorter than six (6) feet. The erected fence shall be maintained in adequate condition until the frac pond is reclaimed.

I. Erosion Prevention

Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.

m. <u>Reclamation Start</u>

- I. Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- II. Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:
 - i. Any roads approved for use with the pond
 - ii. Surface water lines
 - iii. Tanks, pumps, fencing etc.

Requirements for Operations and Final Reclamation:

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4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

6. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

7. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection – (575)234-5909, **prior** to beginning surface reclamation operations.

8. Seeding is required: Use the following seed mix.

() seed mixture 1() seed mixture 2(X) LPC mixture

() seed mixture 3
() seed mixture 4
() Aplomado Falcon mix

9. Special Stipulations:

Dune Sagebrush Lizard: Within Dune Sagebrush Lizard Suitable Habitat In addition to the fence requirements above, the operator must install a reptile exclosure fence (*Example: silt fence*). The reptile exclosure fence must be in contact with the soil at all times around the entire frac pond. Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

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BLM Serial #: NMNM0315712 Company Reference: COG Operating LLC

Seed Mixture for LPC Sand/Shinnery Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

lb/acre

Species to be planted in pounds of pure live seed* per acre:

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Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

Species

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed