

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM120908

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
AZORES FEDERAL 9H ✓

2. Name of Operator  
COG OPERATING LLC / Contact: TODD SUTER  
E-Mail: suterconsultants@gmail.com

9. API Well No.  
30-025-43758

3a. Address  
2208 W MAIN STREET  
ARTESIA, NM 88210

3b. Phone No. (include area code)  
Ph: 575-748-1555

10. Field and Pool or Exploratory Area  
WC-025 G-06 S253206M/BONE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 29 T24S R32E Mer NMP SWSW 210FSL 460FWL ✓

11. County or Parish, State  
LEA COUNTY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Right of Way
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once 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 construct, operate, maintain, and reclaim a central tank battery(CTB) and access road for the Azores Federal No. 6H and 9H. The Azores CTB will be located 127.3 ft. due north of the Azores Federal 9H location. The central tank battery location will be 300 ft. X 300 ft. for a surface disturbance of 2.07 acres and the access road will be 127.3 ft. in length, 30 ft. in width, for a surface disturbance of 0.09 acres. Total surface disturbance for this project will be 2.16 acres.

Equipment on location for the tank battery will be 4-500 bbl tanks for production storage, 2-500 bbl tanks for produced water storage, 2- 4 ft. X 15 ft. vertical Separator, a 16 ft. X 20 ft. heater treater, 2- 6 ft. X 20 ft. horizontal separators for fresh water knock outs, a 3 ft. X 10 ft. gas separator, and miscellaneous connections, fittings, and piping.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #374394 verified by the BLM Well Information System  
For COG OPERATING LLC, sent to the Hobbs  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 05/04/2017 ()

Name (Printed/Typed) TODD SUTER

Title REGULATORY CONSULTANT

Signature (Electronic Submission)

Date 05/01/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

*Cody Layton*

Title

*AFM - Lands & Minerals* Date *05/01/17*

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

*CFO*

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.

(Instructions on page 2)

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

*KCB*

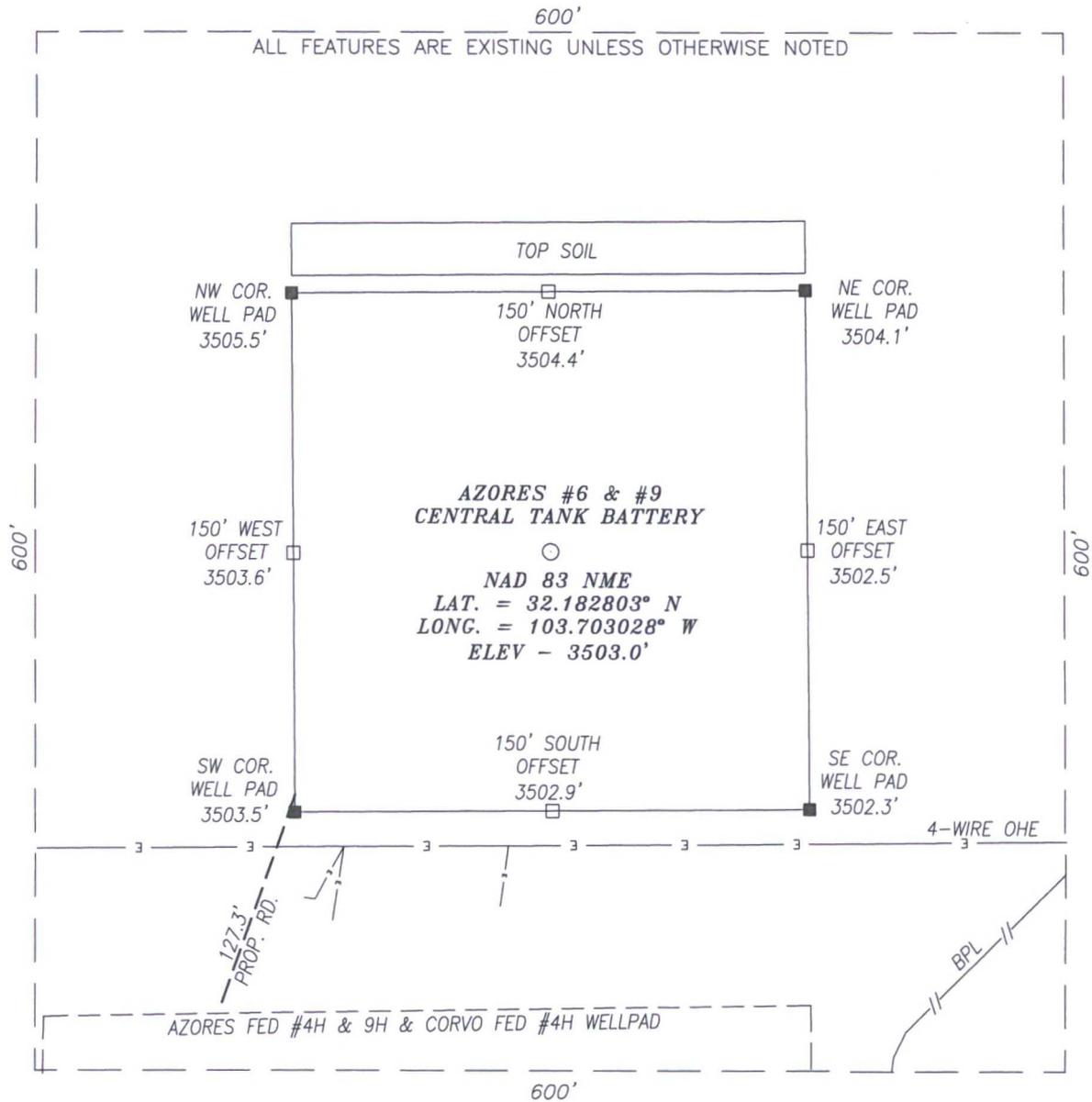
**Additional data for EC transaction #374394 that would not fit on the form**

**32. Additional remarks, continued**

An archaeological MOA contribution has been requested and will be sent to the BLM Carlsbad Field Office as soon as it is received.

See attached plat and maps.

SECTION 29, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY NEW MEXICO

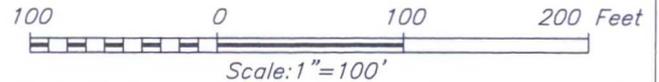


**AZORES #6 & #9  
CENTRAL TANK BATTERY**

○  
NAD 83 NME  
LAT. = 32.182803° N  
LONG. = 103.703028° W  
ELEV - 3503.0'

**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF HWY. 128 AND C.R. 1 (ORLA HWY.) GO SOUTH ON C.R. 1 FOR APPROX. 2.4 MI.; THEN TURN RIGHT (WEST) ON LEASE RD. AND GO APPROX. 1.9 MI. TO THE EXISTING AZORES FED #4H, #9H AND CORVO FED #4H PAD; THE PROPOSED CENTRAL TANK BATTERY LIES APPROX. 275 FEET TO THE NORTH FROM THE NORTH EDGE OF EXISTING PAD.



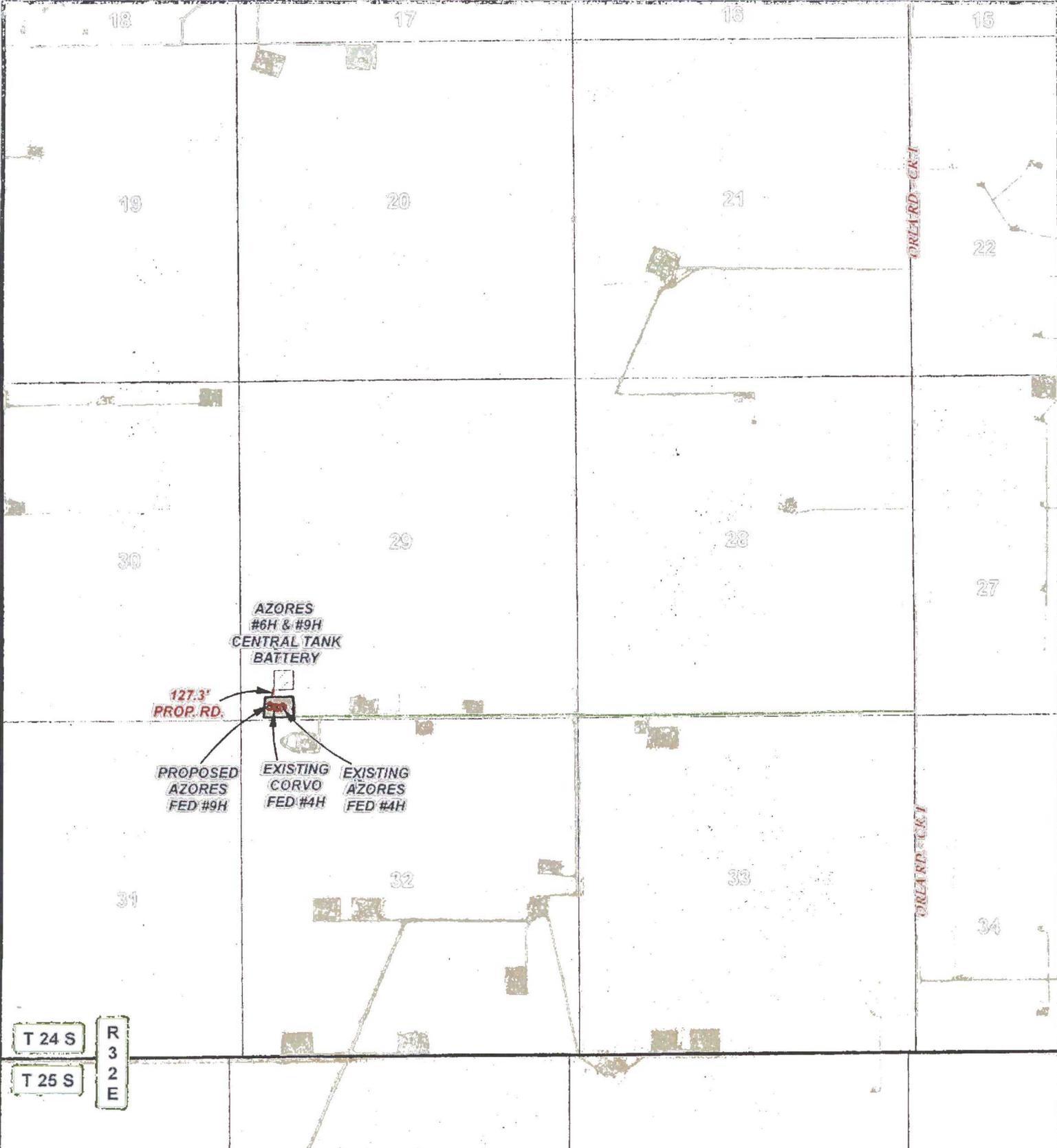
**HARCROW SURVEYING, LLC**  
2314 W. MAIN ST, ARTESIA, N.M. 88210  
PH: (575) 746-2158 FAX: (575) 746-2158  
Texas Firm No. 10194089  
c.harcrow@harcrowsurveying.com



**COG PRODUCTION, LLC**

**AZORES #6H & #9H CENTRAL TANK BATTERY  
LOCATED 604 FEET FROM THE SOUTH LINE  
AND 681 FEET FROM THE WEST LINE OF SECTION 29,  
TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO**

SURVEY DATE: APRIL 14, 2017	PAGE: 1 OF 1
DRAFTING DATE: APRIL 19, 2017	
APPROVED BY: CH	DRAWN BY: JH
	FILE: 17-373



**AZORES  
#6H & #9H  
CENTRAL TANK  
BATTERY**

**127.3'  
PROP. RD.**

**PROPOSED  
AZORES  
FED #9H**

**EXISTING  
CORVO  
FED #4H**

**EXISTING  
AZORES  
FED #4H**

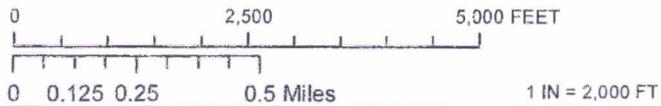
T 24 S  
R 32 E  
T 25 S

**LEGEND**

-  WELL
-  WELLPAD
-  EXISTING ROAD
-  PROPOSED ROAD
-  TANKBATTERY

**AZORES #6H & #9H CENTRAL TANK BATTERY**

SEC: 29    TWP: 24 S.    RGE: 32 E.    ELEVATION: 3503.0'  
 STATE: NEW MEXICO    COUNTY: LEA    604' FSL & 681' FWL  
 W.O. # 17-373    LEASE: AZORES    SURVEY: N.M.P.M



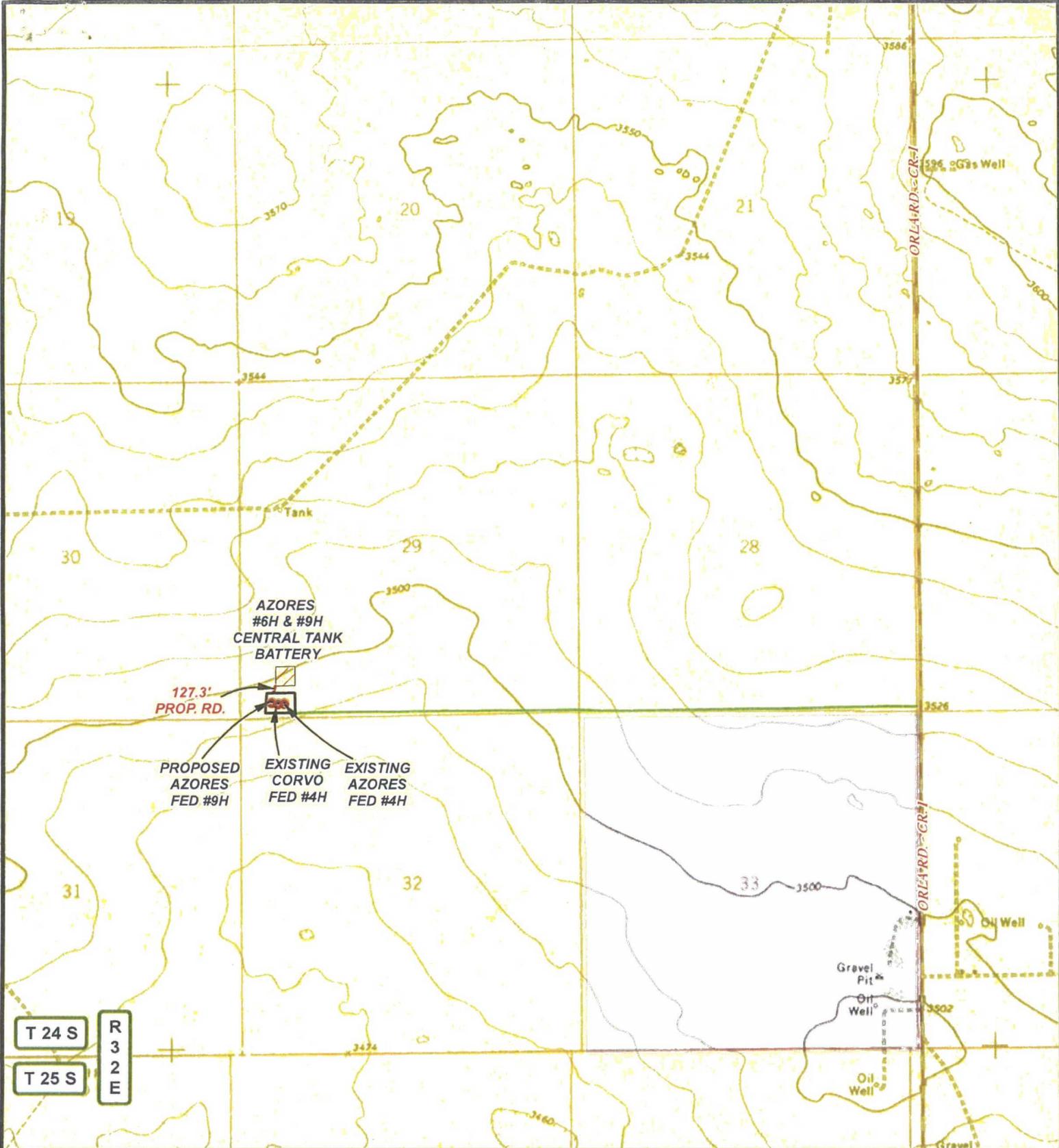
LOCATION MAP    IMAGERY    04/20/2017    J.H.



**CONCHO**  
COG PRODUCTION, LLC



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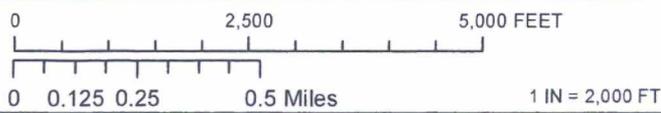


T 24 S  
R 32 E  
T 25 S

**LEGEND**

- WELL
- WELLPAD
- EXISTING ROAD
- PROPOSED ROAD
- TANKBATTERY
- PRIVATE
- US BLM

AZORES #6H & #9H CENTRAL TANK BATTERY			
SEC: 29	TWP: 24 S.	RGE: 32 E.	ELEVATION: 3503.0'
STATE: NEW MEXICO	COUNTY: LEA	604' FSL & 681' FWL	
W.O. # 17-373	LEASE: AZORES	SURVEY: N.M.P.M	



LOCATION MAP      LAND STATUS      04/20/2017      J.H.

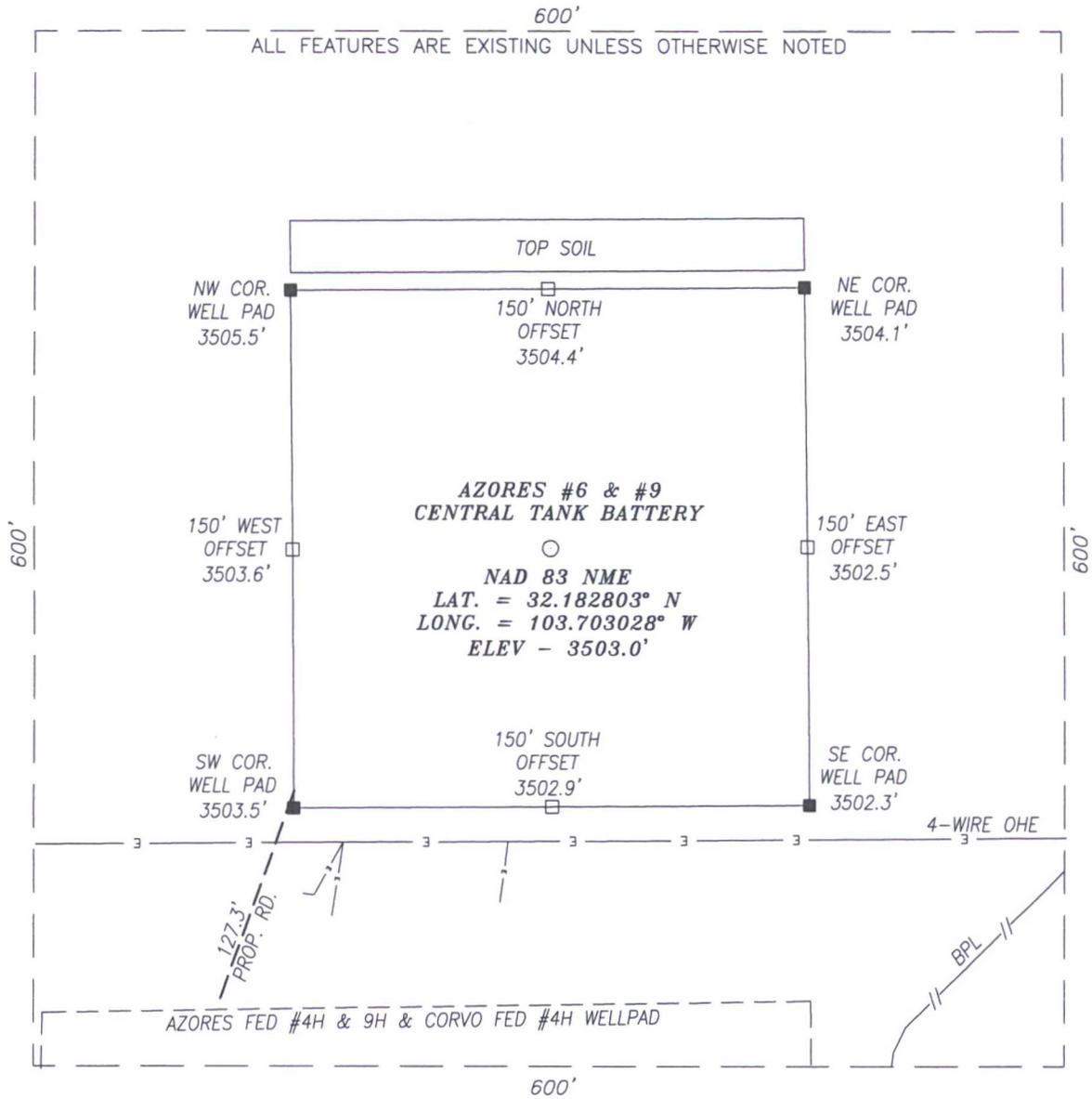


COG PRODUCTION, LLC



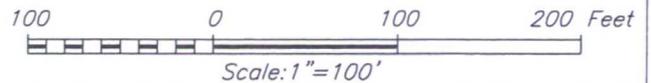
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SURVEY DATE: APRIL 14, 2017	PAGE: 1 OF 1
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APPROVED BY: CH	DRAWN BY: JH FILE: 17-373

## STANDARD STIPULATIONS FOR OIL AND GAS RELATED SITES

A copy of the application (Grant/Sundry Notice) and attachments, including stipulations and map, will be on location during construction. BLM personnel may request to view a copy of your permit during construction to ensure compliance with all stipulations.

The holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer, BLM.

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 grant and for all response costs, penalties, damages, claims, and other costs arising from the provisions of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Chap. 82, Section 6901 et. seq., from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Chap. 109, Section 9601 et. seq., and from other applicable environmental statutes.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et. seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et. seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et. seq.) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. If, during any phase of the construction, operation, maintenance, or termination of the site or related pipeline(s), any oil or other pollutant should be discharged from site facilities, the pipeline(s) or from containers or vehicles impacting Federal lands, the control and total removal, disposal, and cleanup of such oil or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the Authorized Officer may take such measures as deemed necessary to control and cleanup 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 the holder of any liability or responsibility.

5. Sites shall be maintained in an orderly, sanitary condition at all times. Waste materials, both liquid and solid, shall be disposed of promptly at an appropriate, authorized waste disposal facility in accordance with all applicable State and Federal laws. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, petroleum products, brines, chemicals, oil drums, ashes, and equipment.

6. The operator will notify the Bureau of Land Management (BLM) authorized officer and nearest Fish and Wildlife Service (FWS) Law Enforcement office within 24 hours, if the operator discovers a dead or injured federally protected species (i.e., migratory bird species, bald or golden eagle, or species listed by the FWS as threatened or endangered) in or adjacent to a pit, trench, tank, exhaust stack, or fence. (If the operator is unable to contact the FWS Law Enforcement office, the operator must contact the nearest FWS Ecological Services office.)

7. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" designated by the Rocky Mountain Five-State Interagency Committee. The color selected for this project is **Shale Green**, Munsell Soil Color Chart Number 5Y 4/2.

8. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

9. A sales contract for removal of mineral material (caliche, sand, gravel, fill dirt) from an authorized pit, site, or on location must be obtained from the BLM prior to commencing construction. There are several options available for purchasing mineral material: contact the BLM office (575-234-5972).

10. 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.

11. Once the site is no longer in service or use, the site must undergo final abandonment. At final abandonment, the site and access roads must undergo "final" reclamation so that the character and productivity of the land are restored. Earthwork for final reclamation must be completed within

six (6) months of the abandonment of the site. All pads and facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact. After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

12. The holder shall stockpile an adequate amount of topsoil where blading occurs. The topsoil to be stripped is approximately   6   inches in depth. The topsoil will be segregated from other spoil piles. The topsoil will be used for final reclamation.

13. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- |  |  |
|--|--|
| <input type="checkbox"/> seed mixture 1                | <input type="checkbox"/> seed mixture 3          |
| <input type="checkbox"/> seed mixture 2                | <input type="checkbox"/> seed mixture 4          |
| <input checked="" type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

14. In those areas where erosion control structures are required to stabilize soil conditions, the holder shall install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound management practices. Any earth work will require prior approval by the Authorized Officer.

15. Open-topped Tanks - The operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps

16. The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the

operator will install effective wildlife and livestock enclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

17. Open-Vent Exhaust Stack Enclosures – The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (Recommended enclosure structures on open-vent exhaust stacks are in the shape of a cone.) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

18. Containment Structures - Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

19. Special Stipulations:

#### **Lesser Prairie-Chicken**

##### **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.

##### **Ground-level Abandoned Well Marker to avoid raptor perching:**

Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.