B SUNDRY Do not use th abandoned we	UNITED STATES EPARTMENT OF THE INT UREAU OF LAND MANAGE NOTICES AND REPORT is form for proposals to dr II. Use form 3160-3 (APD) TRIPLICATE - Other instru	MENT S ON WELLS ill or to re-enter for such propo	an O	AOCD Jobbs	OMB NC	
EFB 10						
1. Type of Well		ECE	NED	8. Well Name and No. PICASSO FEDERAL 2H		
2. Name of Operator Contact: CATHY SEELY COG OPERATING LLC E-Mail: cseely@concho.com					9. API Well No. 30-025-41905	
3a. Address 2208 W MAIN STREET ARTESIA, NM 88210		b. Phone No. (inclu Ph: 575-748-154			10. Field and Pool or E RED HILLS	
4. Location of Well (Footage, Sec., 7			11. County or Parish, State			
Sec 9 T24S R34E SWSE 190FSL 1330FEL				(LEA COUNTY, N	4M
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	Acidize Deepen Pro			Producti	ction (Start/Resume) 🔲 Water Shut-Off	
	□ Alter Casing	Hydraulic	Fracturing	Reclamation	ation	Well Integrity
□ Subsequent Report	Casing Repair	□ New Cons		Recomp		Other Venting and/or Flari
Final Abandonment Notice	 Change Plans Convert to Injection 	 Plug and Abandon Temporarily Abar Plug Back Water Disposal 			ng	
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 REQUEST TO FLARE AT THE PICASSO FED 2H. FROM 1/15/18 TO 4/15/18. # OF WELLS TO FLARE: 1 PICASSON FED 2H: 30-025-41905 BBLS OIL/DAY: 65 MCF/DAY: 310 REASON: UNPLANNED MIDSTREAM CURTAILMENT						
14. I hereby certify that the foregoing is true and correct. Electronic Submission #400183 verified by the ELM Well Information System For COG OPERATING LLC, sent to the Hobbs Committed to AFMSS for processing by JENNIFER SANCHEZ on D1/10/2018 0						
Name (Printed/Typed) CATHY SEELY			Title ENGINEERING TECH			
Signature (Electronic	Submission)	Date	01/09/20	DIB FEE	8 2018	h./
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By						
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 **						
MOB/OCD 2/19/2018						

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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. Subject to like approval from NMOCD
- 2. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 3. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.
- 5. "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.
- 6. This approval does not authorize any additional surface disturbance.

43CFR §3162.7-1 Disposition of production.

(a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas, and sulphur produced from the leased land.

(d) The operator shall conduct operations in such a manner as to prevent avoidable loss of oil and gas. A operator shall be liable for royalty payments on oil or gas lost or wasted from a lease site, or allocated to a lease site, when such loss or waste is due to negligence on the part of the operator of such lease, or due to the failure of the operator to comply with any regulation, order or citation issued pursuant to this part.