

**BLM COPY**

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**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**NOTICE OF INCIDENTS OF NONCOMPLIANCE**

RECEIVED  
APR 3 2019  
HOBBS OCD

Identification	
ID	
Lease	NMNM45706
CA	NMNM135623
Unit	
PA	

Bureau of Land Management Office <b>HOBBS INSPECTION OFFICE</b>	Operator <b>COG OPERATING LLC</b>
Address <b>414 WEST TAYLOR HOBBS NM 88240</b>	Address <b>ONE CONCHO CENTER 600 W ILLINOIS AVENUE MIDLAND TX 79701-4287</b>
Telephone <b>575.393.3612</b>	Attention <b>MELANIE PARKER</b>
Inspector <b>STATON</b>	Attn Addr <b>2208 W MAIN STREET ARTESIA NM 88210</b>

Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State
CORONADO 35 FED 1H	A		25S	35E	1PM	LEA	NM
Site Name	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State
CORONADO 35 FEDERAL	1H	NWNW 35	25S	35E	NMP	LEA	NM

**THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE**

Date	Time (24 - hour clock)	Violation	Gravity of Violation
03/20/2019	11:27	43 CFR 3162.5-1(b)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
04/22/2019			43 CFR 3163.1()

**Remarks**

This office does not have a approval for water disposal on file. Submit to this office on a Sundry Notice (3160-5) a NOI for a water disposal approval. Failure to comply will result in monetary assessments.

When violation is corrected, sign this notice and return to above address.

Company Representative Title Regulatory Analyst Signature Jeanette Bannon Date 3/28/19

Company Comments Please see attached.

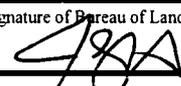
**WARNING**

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**REVIEW AND APPEAL RIGHTS**

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer 	Date <b>20190320</b>	Time <b>11:27</b>
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**FOR OFFICE USE ONLY**

Number	Date	Assessment	Penalty	Termination
33				
Type of Inspection PI				

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.*

**HOBBBS OCD**  
**APR 03 2019**  
**RECEIVED**

5. Lease Serial No.  
NMNM45706

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.  
CORONADO 35 FEDERAL 1H

2. Name of Operator  
COG OPERATING LLC

Contact: AMANDA AVERY  
E-Mail: aavery@concho.com

9. API Well No.  
30-025-42575

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

3b. Phone No. (include area code)  
Ph: 575-748-6940

10. Field and Pool or Exploratory Area  
WC025 G08 S2535340

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
  
Sec 35 T25S R35E Mer NMP NWNW 90FNL 710FWL  
32.053775 N Lat, 103.204045 W Lon

11. County or Parish, State  
  
LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Other
	<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 checked="" 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.

**Required information for disposal water:**

- 1) Name of formation producing water on lease: Bone Spring
  - 2) Amount of water producing in barrels per day: 500 bwpd
  - 3) How water is stored on lease: 2-500 BBL Fiberglass tank
  - 4) How water is moved to disposal: Piped to nearest SWD System.
  - 5) Disposal Facility #1
    - a) Facility Operator Name: COG Operating LLC
    - b) Name of facility or well name & number: Momentum 36 State #1 SWD (SWD-1519)
    - c) Type of facility or well: WDW
    - d) Location by 1/4, 1/4, Sec, T & R: NWNW, Sec 36-T25S-R35E
- In the event a temporary change of method or location of disposal is necessary, produced water will be trucked to an authorized disposal well in the geographic vicinity.

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

**Electronic Submission #459451 verified by the BLM Well Information System  
For COG OPERATING LLC, sent to the Hobbs**

Name (Printed/Typed) AMANDA AVERY

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 03/27/2019

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
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 _____

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 \*\***