Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

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.					6. If Indian, Allottee or Tribe Name			
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other					8. Well Name and No. MCGRUDER 13 STATE 001			
2. Name of Operator Contact: LEXIE LAVALLEY CIMAREX ENERGY COMPANY E-Mail: llavalley@cimarex.com					9. API Well No. 30-015-29871			
3a. Address 600 N MARENFELD ST SUIT MIDLAND, TX 79701	(include area code)-1936)	10. Field and Pool, or Exploratory HAPPY VALLEY;MORROW					
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, and State			
Sec 12 T25S R26E 880FSL 1796FEL					EDDY CO	DUNTY COUNTY, N	·	
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE	NATURE OF	NOTICE, REI	PORT, OR O	OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION				•	•		
■ Notice of Intent	☐ Acidize	□ Deep	en	□ Production	oduction (Start/Resume)			
_	☐ Alter Casing	☐ Fract	☐ Fracture Treat ☐ Reclar		nation Well Integrity			
Subsequent Report	Subsequent Report		New Construction Re		ete	□ Other		
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	☐ Temporar	rily Abandon			
	☐ Convert to Injection	☐ Plug Back .		🛮 Water Di	sposal			
13. Describe Proposed or Completed Op If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involvectesting has been completed. Final Aldetermined that the site is ready for for Cimarex Energy Co. respectful.	ally or recomplete horizontally, rk will be performed or provide d operations. If the operation re bandonment Notices shall be fil final inspection.)	give subsurface let the Bond No. on esults in a multiple led only after all re	ocations and meas file with BLM/BL completion or rec equirements, inclu-	ured and true vert A. Required subs completion in a ne	ical depths of a equent reports w interval, a Fo have been con	all pertinent markers and shall be filed within 30 corm 3160-4 shall be filed inpleted, and the operator	zones. days d once	
Name of formation: Atoka	CONSERVA	TION 7	Délapold Min	OCD CORD	•			
BWPD: .056 ARTESIA DISTRICT				11014	• • • •			
Water stored: 2 ea. 500 bbl water tanks			C 1 5 2014			ATTACHED FOR ONS OF APPROVAL		
Water is truck to water dispos	al facility			•	•		-	
Disposal facility info:		RE	ECEIVED	·		:		
14. I hereby certify that the foregoing is	Electronic Submission # For CIMAREX Committed to AFMSS fo	ENERGY COM	PANY, sent to t y LINDA DENNI:	he Carlsbad STON on 12/02	/2014 ()			
Name(Printed/Typed) LEXIE LA	VALLEY	· · · · · · · · · · · · · · · · · · ·	Title REGU	LATORY ANA	LYSI			
Signature (Electronic Submission)			Date 07/31/2	2014 ·	AF	PROVED)	
	THIS SPACE F	OR FEDERA	L OR STATE	OFFICE US	1			
Approved By			Title		M	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		JA SL	AMES A. AMOS JPERVISOR-EPS		

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.

Additional data for EC transaction #255316 that would not fit on the form

32. Additional remarks, continued

Pyote Water Solutions Exxon State No. 8 SWD:001 330 FNL 1980 FWL sec. 15 21S 27E SWD- 180

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 8. Disposal at any other site will require prior approval.
- 9. Subject to like approval by NMOCD.

7/10/14