| | UNITED STATE EPARTMENT OF THE I UREAU OF LAND MANA | NTERIOR | ocd-/ | RTESI | | OMB N Expires: | APPROVED O. 1004-0135 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. | | | | | 5. Lease Serial No. NMNM7752 | | | |
| | | | | | 6. If Indian, Allottee or Tribe Name | | | |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | | | 7. If | 7. If Unit or CA/Agreement, Name and/or No. | | |
| 1. Type of Well Q Oil Well Gas Well Other | | | | | | 8. Well Name and No. MERAK 7 FEDERAL 004 | | |
| 2. Name of Operator Contact: CRISTEN BURDELL CIMAREX ENERGY COMPANY E-Mail: CBURDELL@cimarex.com | | | | | 9. API Well No. 30-015-40610 | | | |
| 3a. Address 600 N MARIENFELD STREE | 3b. Phone N Ph: 918-5 | o. (include area code 60-7038 | 10. Field and Pool, or Exploratory LOCO HILLS;GLORIETA-YESO | | | | | |
| MIDLAND, TX 79701 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | 11. C | County or Parish, | and State | |
| Sec 7 T17S R30E 1650FSL 990FEL | | | | | | EDDY COUNTY COUNTY, NM | | |
| 12. CHECK APPE | ROPRIATE BOX(ES) TO |) INDICATI | E NATURE OF I | NOTICE, R | L EPOR | T, OR OTHE | R DATA [.] | |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | | | | | |
| X Notice of Intent | Acidize | 🗖 Dee | epen | Produc | tion (St | art/Resume) | UWater Shut-Off | |
| — , | Alter Casing | 🗖 Fra | cture Treat | Treat 🗖 Reclan | | ation 🔲 Well Integ | | |
| Subsequent Report | Casing Repair | 🗖 Nev | New Construction | | Recomplete | | Other | |
| Final Abandonment Notice | Change Plans Convert to Injection | Plug and Abandon Tempor Plug Back Water I | | | rarily A Disposa | | | |
| determined that the site is ready for final inspection.) Cimarex Energy Co. respectfully requests approval for wa Name of formation: 2nd bone spring BWPD: 200 Water stored: 2 ea 500 bbl water tanks Water is trucked to water disposal facility | | | ARTESIA DISTRICT JAN 2 2 2015 RECEIVED | | | SEE ATTACHED FOR CONDITIONS OF APPROVAL | | |
| Disposal facility info: | 1925 y | | | <u></u> | <u></u> | | | |
| 14. I hereby certify that the foregoing is Name(<i>Printed/Typed</i>) CRISTEN | Electronic Submission #2 For CIMAREX I Committed to AFMSS for | ENERGY CON | PANY, sent to th y LINDA DENNIS | e Carlsbad TON on 12/0 | | | . · | |
| | | | | | APPROVED | | | |
| Signature (Electronic Submission) THIS SPACE FOR FEDE | | | Date 09/29/2014 | | | | | |
| <u></u> | | | | | <u>d)</u> | | 5 2015 | |
| Approved By | | <u> </u> | Title | | JK- | | | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant of 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 | | JAMES A. AMOS SUPERVISOR-EPS | | | |
| Title 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent st | J.S.C. Section 1212, make it a tatements or representations as | crime for any pe to any matter w | erson knowingly and ithin its jurisdiction. | willfully to m | ake to ar | y department or | agency of the United | |
| ** OPERAT | OR-SUBMITTED ** O | PERATOR- | SUBMITTED * | * OPERAT | OR-S | UBMITTED | ** | |
| | | | | | | | | |

Additional data for EC transaction #266684 that would not fit on the form

32. Additional remarks, continued

Cimarex Energy Thyme Apy Fed. SWD:11 3002541174 11650 FSL 990 FWL sec. 1 23s 32e SWD- 305

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