Form 3160-5 (June 2015)

## UNITED STATES

FORM APPROVED

| DE<br>R  | OMB i<br>Expires:  | NO. 1004-0137<br>January 31, 2018  |   |  |
|--|--|--|---|--|
| SUNDRY   | Expires:    Compared   Expires:   Compared | 1  |   |  |
| DO HOLUSE HI   | NMNM044195  6. If Indian, Allottee   |  |   |  |
| abandoned we   | II. Use form 3160-3 (API   | v) for such proposals.   | o. It main, thouse  | or Thoc Nume   |
| SUBMIT IN  | 7. If Unit or CA/Agr   | reement, Name and/or No.   |   |  |
| 1. Type of Well  | 8. Well Name and No  |  |   |  |
| ☐ Oil Well 🗷 Gas Well 🗖 Oth  | WHITE CITY 31  | FEDERAL 3  |   |  |
| 2. Name of Operator CIMAREX ENERGY CO.   | 9. API Well No.<br>30-0115-32-300  |  |   |  |
| 3a. Address<br>202 S. CHEYENNE AVE. SUI<br>TULSA, OK 74103   | 10. Field and Pool or<br>WOLFCAMP  | Exploratory Area   |   |  |
| 4. Location of Well (Footage, Sec., 7  | 11. County or Parish   | 11. County or Parish, State  |   |  |
| Sec 31 T24S R26E 950FNL 1  | EDDY COUNT   | EDDY COUNTY, NM  |   |  |
|  |  |  |   |  |
| 12. CHECK THE AI   | PROPRIATE BOX(ES)  | TO INDICATE NATURE OF  | F NOTICE, REPORT, OR OT   | HER DATA   |
| TYPE OF SUBMISSION   | TYPE OF ACTION   |  |   |  |
| D NI-Aire - Cleana   | ☐ Acidize  | Deepen   | ☐ Production (Start/Resume)   | ☐ Water Shut-Off   |
| ■ Notice of Intent   | ☐ Alter Casing   | ☐ Hydraulic Fracturing   | □ Reclamation   | ■ Well Integrity   |
| ☐ Subsequent Report  | Casing Repair  | ■ New Construction   | ☐ Recomplete  | Other Venting and/or Flari   |
| ☐ Final Abandonment Notice   | ☐ Change Plans   | □ Plug and Abandon   | ☐ Temporarily Abandon   |  |
|  | ☐ Convert to Injection   | Plug Back  | ☐ Water Disposal  |  |
| 13. Describe Proposed or Completed Oplif the proposal is to deepen directional Attach the Bond under which the work following completion of the involved testing has been completed. Final Abdetermined that the site is ready for final Abdetermined that t | ally or recomplete horizontally,<br>it will be performed or provide<br>operations. If the operation respondonment Notices must be file<br>inal inspection.   | give subsurface locations and measur<br>the Bond No. on file with BLM/BIA<br>sults in a multiple completion or reco-<br>ed only after all requirements, includi-<br>o intermittently flare approxima | red and true vertical depths of all pert.  Required subsequent reports must b impletion in a new interval, a Form 31 ing reclamation, have been completed | inent markers and zones.<br>be filed within 30 days<br>60-4 must be filed once |
| from April 2018 through June   | 2018 due to High Line Pre  | essure.  |   | RECEIVED   |

FOR RECORDS ONLY MAY 3 1 2018

UIII8AB DISTRICT II-ARTESIA O.C.D.

| 14. I hereby certify that | the foregoing is true and correct.  Electronic Submission #421417 ver For CIMAREX ENERG Committed to AFMSS for processing | Y ¢O., sen | t to the Carlsbad  |           |
|---------------------------|---|------------|--------------------|-----------|
| Name (Printed/Typed)      | AMITHY E CRAWFORD   | Title      | REGULATORY ANALYST |           |
| Signature 3               | (Electronic Submission)   | Date       | 05/24/2018         |           |
|                           | THIS SPACE FOR FEDE   | RAL OR     | STATE OFFICE USE   |           |
| Approved By               | /s/ Jonathon Shepard  | Title      | PETROLEUM ENGINZER | 5/30/20/8 |

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.

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.

Office

**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. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- All flaring under this request is considered to be "avoidably lost":
   Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
   Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

## **Exceptions:**

- a. The first 24 hours of a <u>temporary emergency flare</u> is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 3179.105.