Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

| | Lease Serial No. | |
|----------|------------------------------------|--------|
| NV 1 0 2 | 5. Lease Serial No. NMNM05792 | 024368 |

| SUNDRY Do not use th abandoned we | NMNM05792 024368 A 6. If Indian, Allottee or Tribe Name | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-------|
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. RECEIVE | | | | 7. If Unit or CA/Agreement, Name and/or No. | | |
| 1. Type of Well | | | | 8. Well Name and No RED HILLS UNI |). | |
| 2. Name of Operator Contact: LEXIE LAVA | | | | 9. API Well No. | | |
| CIMAREX ENERGY COMPA | cimarex.com | | 30-025-35112 | | | |
| 3a. Address 600 N MARIENFELD STREET STE 600 MIDLAND, TX 79701 | | 3b. Phone No. (include are: Ph: 432-620-1936 | a code) | 10. Field and Pool, or Exploratory RED HILLS; WOLFCAMP | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description | |) | 11. County or Parish, and State | | | |
| Sec 33 T25S R33E 1695FNL 717FWL | | · | | LEA COUNTY COUNTY, NM | | |
| | | | | | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO | INDICATE NATURE | OF NOTICE, R | EPORT, OR OTHE | R DATA | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | |
| Notice of Intent . | ☐ Acidize | □ Deepen | ☐ Produc | tion (Start/Resume) | ☐ Water Shut-0 | Off |
| _ | ☐ Alter Casing | Fracture Treat | Reclam | nation | ■ Well Integrit | y |
| ☐ Subsequent Report | □ Casing Repair | ■ New Construction | n Recom | plete | Other | |
| ☐ Final Abandonment Notice | Change Plans | Plug and Abando | on 🗖 Tempo | rarily Abandon | | • |
| | ☐ Convert to Injection | Plug Back | 🛮 Water | Disposal | | |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab- determined that the site is ready for final | ally or recomplete horizontally, k will be performed or provide operations. If the operation res andonment Notices shall be file | give subsurface locations and the Bond No. on file with BLI ults in a multiple completion | measured and true v M/BIA. Required su or recompletion in a | ertical depths of all pertir absequent reports shall be new interval, a Form 316 | nent markers and zone filed within 30 days 50-4 shall be filed onc | es. |
| Cimarex Energy Co. respectfu | lly requests approval for v | vater disposal; | | | | |
| Name of formation: deleware | · | | | | | |
| BWPD: 0 | | 055 | | | | |
| Water stored: 2 ea. 500 bbl wa | | SEE ATTACHED FOR CONDITIONS OF APPROVAL | | | | |
| Water is transfer pump to water | | Č | SOURTHOUS OF API | PROVAL | | |
| | or anoposal rasinity | | | | | |
| Disposal facility info: | • | • | | | | |
| | | | | | | |
| 14. I hereby certify that the foregoing is | Electronic Submission #2 | | | • |)VED | 7 |
| Name(Printed/Typed) LEXIE LAVALLEY | | | GULATORY AN | | V L | |
| | | | | | | T^- |
| Signature (Electronic Submission) | | Date 07/ | 10/2014 | NOV 5 | 5 2014 | |
| | THIS SPACE FO | R FEDERAL OR STA | TE OFFICE U | SE | | |
| Approved By | Title | KAL | 3 SUPERVISO | DR-EPS | | |
| Conditions of approval, if any, are attached | not warrant or | 1 | | ****** | | |
| certify that the applicant holds legal or equ which would entitle the applicant to conduc | itable title to those rights in the | subject lease 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.

Additional data for EC transaction #252321 that would not fit on the form

32. Additional remarks, continued

Cimarex Energy
Red Hills SWD:001 3002535598 500 797
1695 FNL 717 FWL sec. 28s 25s 33e
SWD- IPI-252

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