Form 3160-5 (August 2007)

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

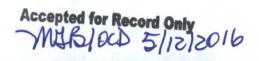
**NMOCD Hobbs** 

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

## 5. Lease Serial No.

Do not use the abandoned we	hie form for proposale to					
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.  SUBMIT IN TRIPLICATE - Other instructions on reverse side.			If Indian, Allottee or Tribe Name     If Unit or CA/Agreement, Name and/or No.			
					Type of Well	
Name of Operator Contact: RHONDA SHELDON CIMAREX ENERGY COMPANY OF CO-Mail: rsheldon@cimarex.com			9. API Well No. 30-025-41174-00-S1			
3a. Address 202 S CHEYENNE AVE. SUITE 1000 TULSA, OK 74103		Ph: 918-295-1709	Bb. Phone No. (include area code) Ph: 918-295-1709 HORRS OCD		10. Field and Pool, or Exploratory TRIPLE X	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description,		HUBBS CCD		11. County or Parish, and State		
Sec 30 T23S R33E SWSW 330FSL 660FWL		MAY <b>0 5 2016</b>		LEA COUNTY, NM		
12. CHECK APP	ROPRIATE BOX(ES) TO	INDICATE NATER	<b>VOTO</b> E, R	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION		TYPE	OF ACTION	CTION		
Notice of Intent	☐ Acidize	☐ Deepen	☐ Produc	tion (Start/Resume)	☐ Water Shut-Off	
1 T	☐ Alter Casing	☐ Fracture Treat	☐ Reclam	nation	■ Well Integrity	
☐ Subsequent Report	☐ Casing Repair	■ New Construction	☐ Recom	plete	<b>⊠</b> Other	
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	☐ Tempo	rarily Abandon	Venting and/or Flari	
	☐ Convert to Injection	□ Plug Back	■ Water I	Disposal		
13. Describe Proposed or Completed Op If the proposal is to deepen direction Attach the Bond under which the wo	ork will be performed or provide	the Bond No. on file with BLM/	BIA. Required su	bsequent reports shall be	filed within 30 days	
If the proposal is to deepen direction	ork will be performed or provide d operations. If the operation res bandonment Notices shall be file final inspection.)	the Bond No. on file with BLM/ sults in a multiple completion or bed only after all requirements, inc	BIA. Required su recompletion in a cluding reclamation e 2016 due to	ibsequent reports shall be new interval, a Form 316 on, have been completed,	filed within 30 days 0-4 shall be filed once	
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## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

## **Condition of Approval to Flare Gas**

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

**Definition:** As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

**43CFR3162.7-1 (a)** The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

**43CFR3162.1** (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.