Form 3160-5 (August 2007)

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

**NMOCD** Hobbs

FORM APPROVED OMB NO. 1004-0135

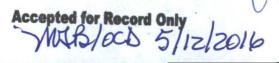
Expires: July 31, 2010 5. Lease Serial No.

SUNDRY N	<b>OTICES A</b>	ND REPORT	S ON WELLS
o not use this	form for pr	oposals to dri	ill or to re-enter an
llow bonobner	Hea form	3160-3 (APD)	for euch proposale

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		
Type of Well     Gas Well					8. Well Name and No. HALLERTAU 4 FEDERAL 9H		
2. Name of Operator Contact: RHONDA SHELDON CIMAREX ENERGY COMPANY OF CO-Mail: rsheldon@cimarex.com					9. API Well No. 30-025-41878-00-S1		
3a. Address 202 S CHEYENNE AVE. SUI TULSA, OK 74103	o. (include area code		10. Field and Pool, or Exploratory JENNINGS				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish,	and State	
Sec 4 T26S R32E NWNE 330 32.044348 N Lat, 103.404722	MAY <b>0</b> 5	2016	LEA COUNTY, NM				
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATUREOF	NOTICE, RI	EPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	☐ Acidize	□ Dee	pen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off	
■ Notice of Intent	☐ Alter Casing	☐ Frac	ture Treat	☐ Reclama	ation	■ Well Integrity	
☐ Subsequent Report			□ New Construction □ Recor		lete	<b>⊠</b> Other	
☐ Final Abandonment Notice	☐ Change Plans	□ Plus	and Abandon	☐ Tempor	arily Abandon	Venting and/or Flari	
	☐ Convert to Injection	□ Plug	g Back		Pisposal	ng	
determined that the site is ready for fi Cimarex requests permission of compressor problems. WELLS ARE: 130-025-41116 #2 H 30-025-41062 #5H 30-025-41628 #6H 30-025-41878 #9H		00 mcf for Ap	SEE A	TTACE	HED FOR S OF APPRO	OVAL	
		,					
<ol> <li>I hereby certify that the foregoing is</li> <li>Comm</li> </ol>	true and correct.  Electronic Submission #3  For CIMAREX ENE itted to AFMSS for process	ERGY COMP	NY OF CO, sent	to the Hobbs	1		
Name (Printed/Typed) RHONDA	SHELDON		Title REGUL	ATORY TEC	HNICIAN		
Signature (Electronic S	ubmission)		Date 04/25/2	016	MOVE		
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE US	FR 2 5 2016	Jack Med	
Approved By			Title	BURZ	m/M	CNT COME	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or ertify 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	CAR	SBAD FIELD OF NCE		

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.

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*



## 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.