Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED

| OMB NO. 1004- | |
|-------------------|------|
| Expires: 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. |
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| SUBMIT IN TRIPLICATE - Other instructions on reverse side. |

| 5. | Lease Serial No. NMNM96208 |
|----|-----------------------------------|
| 6. | If Indian, Allottee or Tribe Name |

| abandoned wer | | | | | | | | |
|---|---|--|---------------------------------------|--|---------------------|---------------------------------------|--|--|
| SUBMIT IN TRII | 7. If Unit or CA/Agre | ement, Name and/or No. | | | | | | |
| Type of Well | 8. Well Name and No. TAOS FEDERAL 5H | | | | | | | |
| Name of Operator CIMAREX ENERGY COMPAN | Contact: | | 9. API Well No. 30-015-41720-00-S1 | | | | | |
| 3a. Address 202 S CHEYENNE AVE SUIT TULSA, OK 74103.4346 | E 1000 | include area co -1909 | de) | 10. Field and Pool, or Exploratory WILDCAT | | | | |
| 4. Location of Well (Footage, Sec., T. | | | 11. County or Parish, and State | | | | | |
| Sec 31 T24S R27E Lot 4 0310 32.100179 N Lat, 104.141075 | | | EDDY COUNTY | /, NM | | | | |
| 12. CHECK APPE | ROPRIATE BOX(ES) TO | D INDICATE | NATURE O | F NOTICE, R | EPORT, OR OTHE | R DATA | | |
| TYPE OF SUBMISSION | TYPE OF SUBMISSION TYPE OF ACTION | | | | | | | |
| C Nation of Intent | ☐ Acidize | Deepen F | | ☐ Produc | tion (Start/Resume) | ■ Water Shut-Off | | |
| ☐ Notice of Intent | ☐ Alter Casing | ☐ Fract | are Treat | Reclam | nation | ■ Well Integrity | | |
| Subsequent Report ■ | □ Casing Repair | ■ New | Construction | ☐ Recom | plete | □ Other | | |
| ☐ Final Abandonment Notice | ☐ Change Plans | ☐ Plug | and Abandon | ☐ Tempo | rarily Abandon | | | |
| | ☐ Convert to Injection | □ Plug | Back | Water | Disposal | | | |
| 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) Cimarex Respectfully Requests approval for water disposal: Name of Formation: Bone Spring | | | | | | | | |
| BWPD: 823 Water Stored: 2 500 BBL water | er tanks | SEE AT | TACHED FOI S OF APPRO | R DVAL | | : : : : : : : : : : : : : : : : : : : | | |
| Water is piped to disposal faci | ility | | | | (| \supset | | |
| Disposal Facility Info: Cimarex's Liberty 24 Fed #1 S | • | ARTESIA | ISERVATION DISTRICT 7 2017 |)N | | | | |
| | true and correct. Electronic Submission # For CIMAREX ENE nmitted to AFMSS for proc | 347285 verified ERGY COMPAN essing by PRIS | by the REC | TWEE matio | i (16PP1964SE) | | | |
| - Anni (Anni April) Palvi I I I | 2 0.01011 | | INLO | CETTORY AN | | | | |
| Signature (Electronic S | | | 0/2016 | | | | | |
| | THIS SPACE FO | OR FEDERAI | OR STAT | E OFFICE U | SE | | | |
| Approved By Vulley F | wel | | Title & | ps/Tle | | 12-29-14 Date | | |

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.

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.

Office

Additional data for EC transaction #347285 that would not fit on the form

32. Additional remarks, continued

SW/4 NW/4 Sec 24, T25S, R26E SWD-1216

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