Form 3160-5 (June 2015):

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

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

| 5. | Lease Serial No. |  |
|----|------------------|--|
| -  | NMNM129043       |  |

SUNDRY NOTICES AND REPORTS ON WELLS FOR Do not use this form for proposals to drill of the reposals to drill of the repos

6. If Indian, Allottee or Tribe Name

|  | <u> </u>  | <u> </u>             |  | Artesi   | <b></b>  |                            |  |  |
|--|---|----------------------|--|--|--|----------------------------|--|--|
| SUBMIT IN 1  | 7. If Unit or CA/Agreement, Name and/or No.   |                      |  |  |  |                            |  |  |
| Type of Well   | ner   |                      | 8. Well Name and No.<br>CRESCENT HALE 1 FEDERAL 1H |  |  |                            |  |  |
| Name of Operator     CIMAREX ENERGY COMPAN   | 9. API Well No.<br>30-015-37652-00-S1   |                      |  |  |  |                            |  |  |
| 3a. Address<br>600 N MARIENFELD STE 600<br>MIDLAND, TX 79703   | 3b. Phone No. (include area code)<br>Ph: 432-620-1909                                   |                      |  | 10. Field and Pool or Exploratory Area<br>BENSON-BONE SPRING |  |                            |  |  |
| 4. Location of Well (Footage, Sec., T.   | , R., M., or Survey Description   | )                    |  |  | 11. County or Parish, State  |                            |  |  |
| Sec 1 T19S R30E NWNW 330   |   |                      |  | EDDY COUNTY, NM  |  |                            |  |  |
| 12. CHECK THE AF   | PPROPRIATE BOX(ES)  | TO INDICA            | TE NATURE OI                                       | F NOTICE,  | REPORT, OR OTH   | ER DATA                    |  |  |
| TYPE OF SUBMISSION   |   |                      | ТҮРЕ ОР  | ACTION   |  |                            |  |  |
| Notice of Intent   | ☐ Acidize ☐ Deepen  |                      | en Product   |  | ion (Start/Resume)   | ☐ Water Shut-Off           |  |  |
|  | ☐ Alter Casing  | Hydraulic Fracturing |  | ☐ Reclam   | ation  | ■ Well Integrity           |  |  |
| ☐ Subsequent Report  | Casing Repair   | □ New                | Construction                                       | ☐ Recomp   |  | Other                      |  |  |
| ☐ Final Abandonment Notice   | ☐ Change Plans  | Plug                 | and Abandon  | ☐ Tempor   | arily Abandon  | Venting and/or Flari<br>ng |  |  |
|  | ☐ Convert to Injection  | Plug                 | g Back   | □ Water D  | Disposal   | -                          |  |  |
| testing has been completed. Final Abdetermined that the site is ready for final Cimarex Energy Co. respectful FEDERAL 1H approximately 3 Wells:  CRESENT HALE 1 FEDERAL CRESENT HALE 1 FEDERAL   | inal inspection.  Illy requests permission to a MCFPD from October to a 1H 30-015-37652 | o intermittentl      | y flare at the CRI<br>lue to high line pr          | ESENT HAL<br>ressure .                                       | .E 1   |                            |  |  |
| CRESENT HALE 1 FEDERAL 2H 30-015-38524  RECEIVED  ACCEPTED TO 10 10 10 10 10 10 10 10 10 10 10 10 10   |   |                      |  |  |  |                            |  |  |
| 14. I hereby certify that the foregoing is true and correct.  Electronic Submission #440362 verified by the BLM Well Information System  For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad  Committed to AFMSS for processing by PRISCILLA PEREZ on 10/18/2018 (19PP0177SE) |   |                      |  |  |  |                            |  |  |
| Name (Printed/Typed) YANELI (  |   | Title REGUL          | ATORY TEI  | MP   |  |                            |  |  |
| Signature (Electronic S  |   | Date 10/18/2018      |  |  |  |                            |  |  |
|  | THIS SPACE FO   | OR FEDERA            | L OR STATE   | OFFICE U   | SE   |                            |  |  |
|  | <del></del>   | -                    | 1  |  |  | 00+ 2 5 2019               |  |  |
| Approved By in largette  | on-Shepard — —  |                      | 1111   |  |  | OCT 2 5 2018               |  |  |
| Conditions of approval, if any, are attached   | d. Approval of this notice does   |                      | Petrole  | eum E  | ngineer  |                            |  |  |
| certify that the applicant holds legal or equivalent would entitle the applicant to condu  |   | e subject lease      | Garlsba  | ad Fiel  | ld Office  |                            |  |  |
| Title 18 U.S.C. Section 1001 and Title 43 States any false fictitious or fraudulent  | U.S.C. Section 1212, make it a  |                      | erson knowingly and                                |  | The second secon | agency of the United       |  |  |

## **BUREAU OF LAND MANAGEMENT**

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## **Conditions of Approval to Flare Gas**

- 1. Approval not to exceed 180 days from date of submission.
- 2. All flaring under this request is considered to be "avoidably lost". Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

## **Exceptions:**

- a. The first 24 hours of a temporary emergency flare 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.