

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 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.

5. Lease Serial No. NMMN0560353 6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well [X] Oil Well [] Gas Well [] Other

8. Well Name and No. Multiple--See Attached

2. Name of Operator Contact: MICHELLE CHAPPELL CIMAREX ENERGY COMPANY OF CO-Mail: mchappell@cimarex.com

9. API Well No. Multiple--See Attached

3a. Address 600 NORTH MARIENFELD STREET SUITE 600 MIDLAND, TX 79701

3b. Phone No. (include area code) Ph: 432-620-1959 Fx: 432-620-1940

10. Field and Pool, or Exploratory BENSON

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached

11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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 Energy respectfully request approval to flare the Crescent Hale 12 CDP oil well gas for a period of 90 days, ending June 21, 2013. An extension will be requested if flare is to continue past June 21, 2013. Please see info below regarding the flare:

Battery Location: Crescent Hale 12 Federal #1 wellsite - Sec. 12, 19S, 30E, Eddy County, NM

Well listing: Crescent Hale 12 Federal #1 - 485' FNL & 530' FWL, Sec. 12, 19S, 30E - Eddy County, NM Crescent Hale 12 Federal #2 - 525' FNL & 1535' FWL, Sec. 12, 19S, 30E - Eddy County, NM Crescent Hale 12 Federal #3 - 330' FNL & 2310' FEL, Sec. 12, 19S, 30E - Eddy County, NM

DCP, purchaser, sales line is down for repairs since December 11, 2012 and we are unable to sell

Accepted for record NMOCD 105 4/2/2012

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECEIVED APR 01 2013 NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #202540 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 03/27/2013 (13KMS5685SE)

Name (Printed/Typed) MICHELLE CHAPPELL

Title REGULATORY TECHNICIAN

Signature (Electronic Submission)

Date 03/26/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JERRY BLAKLEY

Title LEAD PET

Date 03/27/2013

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 Carlsbad

APPROVED MAR 27 2013 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD 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.

** BLM REVISED ** SUBJECT TO LIKE APPROVAL BY STATE

Additional data for EC transaction #202540 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM0560353	NMNM0560353	CRESCENT HALE 12 FEDERAL	1 30-015-39025-00-S1	Sec 12 T19S R30E NWNW 485FNL 530FWL
NMNM0560353	NMNM0560353	CRESCENT HALE 12 FEDERAL	2 30-015-40054-00-S1	Sec 12 T19S R30E NENW 525FNL 1535FWL
NMNM0560353	NMNM0560353	CRESCENT HALE 12 FEDERAL	3 30-015-40837-00-X1	Sec 12 T19S R30E NWNE 330FNL 2310FEL

32. Additional remarks, continued

the gas.

Total CDP flare volumes:

December 2012 - 5001 MCF

January 2013 - 7790 MCF

February 2013 - 17600 MCF

March 2013 - 19500 MCF - through March 21, 2013

Cimarex anticipates flaring 144,000 MCF for the 90 day period ending on June 21, 2013.

A subsequent flare sundry will be submitted on June 21, 2013, or at completion of the DCP pipeline repairs, which will report actual volume flared.

BUREAU OF LAND MANAGEMENT

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

Cimarex Energy Co. of Colorado

Crescent Hale 12 Federal #1, 2, 3
NMNM0560353

March 27, 2013

Condition of Approval to Flare Gas

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. **Flared volumes will still require payment of royalties**
5. 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. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report matching approval with actual volumes of gas flared for each month gas is flared.