Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR CORP. BUREAU OF LAND MANAGEMENT BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2013

| DEFACTOR OF THE CONTROL OF THE PROPERTY OF THE | | | | | רַרָּ Expires: Ja | anuary 31, 2018 | |
|--|---|---|---|--|---|--|--|
| BUREAU OF LAND MANAGEMENT LICE OF SUNDRY NOTICES AND REPORTS ON WELLS AND ANGESTS. Do not use this form for proposals to drill or to re-enter an | | | | | Lis. Lease Serial No. NMNM94076 | | |
| | | | | | | | |
| abandoned well. Use form 3160-3 (APD) for such proposals. | | | | | 6. If Indian, Allottee of | r Tribe Name | |
| SUBMIT IN TRIPLICATE - Other instructions on page 2 | | | | | 7. If Unit or CA/Agreement, Name and/or No. | | |
| 1. Type of Well Gas Well Other | | | | | 8. Well Name and No. PINTAIL 23 26 FEDERAL COM 10H | | |
| Name of Operator Contact: AMITHY E CRAWFORD CIMAREX ENERGY CO. E-Mail: acrawford@cimarex.com | | | | | 9. APL Well No. 80-015-43773 | | |
| 3a. Address 202 S. CHEYENNE AVE. SUITULSA, OK 74103 | 3b. Phone No. (include area code) Ph; 432-620-1909 | | | 10. Field and Pool or Exploratory Area PURPLE SAGE WOLFCAMP GAS | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | 11. County or Parish, State | | | |
| Sec 23 T25S R26E 330FNL 19 | | EDDY COUNTY, NM | | | | | |
| 12. CHECK THE AP | PROPRIATE BOX(ES) | TO INDICA | ΓE NATURE O | F NOTICE, | REPORT, OR OTI | ÆR DATA | |
| TYPE OF SUBMISSION TYPE OF ACTION | | | | | | | |
| Marine of Intert | ☐ Acidize | ☐ Deep | en | ☐ Product | ion (Start/Resume) | ■ Water Shut-Off | |
| ☑ Notice of Intent | □ Alter Casing | ☐ Hyd | aulic Fracturing | ☐ Reclam | ation | Well Integrity | |
| ☐ Subsequent Report ☐ Casing Repair | | □ New | ■ New Construction | | lete | Other | |
| ☐ Final Abandonment Notice | □ Change Plans | Plug and Abandon | | ☐ Temporarily Abandon | | Venting and/or Flai | |
| | Convert to Injection | Plug | Back | ☐ Water Disposal | | 6 | |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directiona Attach the Bond under which the worf following completion of the involved testing has been completed. Final Ab- determined that the site is ready for fit Cimarex Energy Co. respectful from April 2018 through June 2 | Illy or recomplete horizontally, k will be performed or provide operations. If the operation re- andonment Notices must be fil nal inspection. Illy requests permission to | give subsurface the Bond No. on sults in a multipled only after all of the only after all of the only after al | ocations and measurable with BLM/BIA completion or reco equirements, includ | red and true ve a. Required sub empletion in a s ling reclamation | ertical depths of all pertin beguent reports must be new interval, a Form 316 n, have been completed | nent markers and zones. e filed within 30 days 50-4 must be filed once | |
| | | | | | RECEIV | ŒD | |
| | | 72, | JR RECOF | ads on Ullit | MAY 3 1 DISTRICT II-ARTI | | |
| 14. I hereby certify that the foregoing is | Electronic Submission # | EX ENERGY ¢ | O., sent to the C | arisbad | _ | | |
| Name (Printed/Typed) AMITHY | | ATORY AN | • | | | | |
| | | | | | | | |
| Signature (Electronic Submission) Date 05/24/2018 | | | | | | | |
| | THIS SPACE FO | OR FEDERA | L OR STATE | OFFICE U | SE | | |
| Approved By /S | / Jonathon Shep | ard | Title | Tr. 11 Juli | all Atal | 5/30/2018 Date | |

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.

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.

BUREAU OF LAND MANAGEMENT

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

Condition of Approval to Flare Gas

- 1. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
- All flaring under this request is considered to be "avoidably lost":
 Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
 Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

Exceptions:

- a. The first 24 hours of a <u>temporary emergency flare</u> 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.