| Form 3160-5<br>(August 2007)<br>E   |  | UNITED STATES<br>EPARTMENT OF THE INTERIOR<br>UREAU OF LAND MANAGEMENT   |   | NMOC<br>Artes  | D. FORM<br>OMB<br>Expire<br>A. Lease Serial No.                                 | 4 APPROVED<br>NO. 1004-0135<br>s: July 31, 2010    |  |
|---|--|--|---|--|---|--|--|
| SUNDRY NOTICES AND REPORTS<br>Do not use this form for proposals to drill<br>abandoned well. Use form 3160-3 (APD) fo   |  |  | drill or to re-enter an   |  | 6. If Indian, Allottee or Tribe Name  |  |  |
| S   | JBMIT IN TRIF  | PLICATE - Other instruc  | ctions on reverse side.   | · ·  | 7. If Unit or CA/Ag   | cement, Name and/or I                              |  |
| 1. Type of Well  3. Off Well  3. Gas Well  3. Other  4. |  |  |   |  | 8. Well Name and No.<br>MERAK 7 FEDERAL 3                                       |  |  |
| 2. Name of Operator Contact: HOPE KNAULS<br>CIMAREX ENERGY COMPANY OF CO-Mail: kknauls@cimarex.com  |  |  |   |  | 9. API Well No.<br>30-015-40609-00-S1   |  |  |
| 3a. Address<br>202 S CHEYEN<br>TULSA, OK 74   | E 1000   | 3b. Phone No. (include are<br>Ph: 918.585.1400   | e area code) 10. Field and Pool, or Exploratory LOCO HILLS  |  |   |  |  |
| 4. Location of Well<br>Sec 7 T17S R30   |  | , R., M., or Survey Description<br>DFSL 2310FWL  | )   | 11. County or Parish, and State<br>EDDY COUNTY, NM                     |   |  |  |
| 12. (   | CHECK APPR   | OPRIATE BOX(ES) TO   | ) INDICATE NATURE   | OF NOTICE, RI  | EPORT, OR OTHI  | ER DATA  |  |
| TYPE OF SUBM  | MISSION TYPE OF ACTION   |  |   |  |   |  |  |
| Notice of Inten   |  | <ul> <li>Acidize</li> <li>Alter Casing</li> </ul>  | <ul> <li>Deepen</li> <li>Fracture Treat</li> </ul>  | Product Reclamation  | ion (Start/Resume)<br>ation   | □ Water Shut-C<br>□ Well Integrity                 |  |
| Subsequent Rep  | ·  | Casing Repair  | New Construction  | -  | · .   | S Other<br>Venting and/or 1                        |  |
| 🗋 Final Abandon   | nent Notice  | <ul> <li>Change Plans</li> <li>Convert to Injection</li> </ul>   | Plug and Aband Plug Back  | on 📋 Tempor  | arily Abandon<br>Disposal   | ng   |  |
| Attach the Bond unc<br>following completio<br>testing has been com<br>determined that the   | ler which the work<br>n of the involved<br>opleted. Final Aba<br>site is ready for fir | Ity or recomplete horizontally,<br>c will be performed or provide<br>operations. If the operation re-<br>andonment Notices shall be file<br>bal inspection.) | The Bond No. on file with BL<br>sults in a multiple completion<br>ed only after all requirements, | M/BIA. Required sut<br>or recompletion in a r<br>including reclamation | asequent reports shall be<br>new interval, a Form 31<br>a, have been completed. | e filed within 30 days<br>60-4 shall be filed once |  |
| period not to exc<br>compressor insta   | eed 90 days.<br>allation require   | Cimarex has recently co<br>s a low volume gas flare.   | mpleted the well but hig  | h line pressure an   | N N   | MOCD   |  |
| 2015. The mon   |  | nited amount of gas from<br>ndicates the anticipated f   | NM OIL CONSER   | NATIONNDI  | TACHED F  | OR<br>APPROVAI                                     |  |
| May 2015: 2000<br>June 2015: 2000<br>July 2015: 2000  | MCF  |  | artesia distr<br>OCT 1 4 20   |  |   | $\cdot$  |  |
|   |  | ······································   |   | <b></b>  |   |  |  |
| 14. I hereby certify that   | Commi  | Electronic Submission #3<br>For CIMAREX ENE<br>itted to AFMSS for process  | RGY COMPANY OF CO, sing by JENNIFER SANCI   | sent to the Carlsba<br>HEZ on 10/02/2015                               | d/<br>(16JAS0080SE)   |  |  |
| Name (Printed/Typed   | (Electronic Si   |  | Į   |  | TEDFOR R  | VI. In   |  |
|   | <u>`</u> _   |  | R FEDERAL OR STA  | \xrightarrow   | EOCT  | AVNIN  |  |
|   |  |  |   |  | AND LAND MAN  | SEMENHAte  |  |
| _Approved By  |  | ~ ~  |   |  |   |  |  |
| Conditions of approval, if  | olds legal or equi   | Approval of this notice does table title to those rights in the t operations thereon.  |   |  | CARLSBAD FILLD O  | HILE   |  |

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## Additional data for EC transaction #303060 that would not fit on the form

## 32. Additional remarks, continued

A subsequent report of actual flare volumes will be sent after July 1, 2015. All volumes will be reported on the OGOR reports. Cimarex will comply with NTL-4A requirements.

Wells associated with flare meter: Merak 7 Federal 3 30-015-40609 Merak 7 Federal 4 30-015-40610 Merak 7 Federal 5 30-015-40611 Merak 7 Federal 6 30-015-40612 Merak 7 Federal 7 30-015-40613 Merak 7 Federal 8 30-015-40614

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## Flaring Conditions of Approval

1. Report all volumes on OGOR B as disposition code 08.

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. Include meter serial number on sundry.

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 from date requested on sundry.

9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).

10. If flaring is still required past 90 days submit new request for approval.

11. If a portable unit is used to flare gas it must be monitored at all times.

12. Comply with any restrictions or regulations when on State or Fee surface.

**JAM 100815**