Form 3160-5

Approved By

UNITED STATES

FORM APPROVED

l (June 2013)	DEPARTMENT OF THE I	NTERIOR	10.7		OMB I Expires:	NO. 1004-0137 January 31, 2018
SUNDR Do not use	DEPARTMENT OF THE I BUREAU OF LAND MANA Y NOTICES AND REPO this form for proposals to vell. Use form 3160-3 (AP	RTS ON WE	delici in ilg Lis Indrian A	eld On	5. Lease Serial No. NMNM14124 5. If Indian, Allottee	or Tribe Name
abandoned v	vell. Use form 3160-3 (AP	PD) for such pr	oposals 1	esia '	o. Il indian, Anouee	or title Name
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well					8. Well Name and No. MARQUARDT FEDERAL 13H	
2. Name of Operator Contact: AMITHY E CRAWFORD					API Well No.	
CIMAREX ENERGY COMPANY OF CO-Mail: acrawford@cimraex.com					30-015-37332-00-81	
3a. Address 202 S CHEYENNE AVE SU TULSA, OK 74103.4346	Ph: 432-620	(include area cod 1-1909	e) 1	10. Field and Pool or Exploratory Area COTTONWOOD DRAW-BONE SPRIN		
4. Location of Well (Footage, Sec.	11. County or Par			, State		
Sec 1 T25S R26E SWSE 1			EDDY COUNT	TY, NM		
12. CHECK THE	APPROPRIATE BOX(ES)	TO INDICAT	E NATURE (OF NOTICE, R	EPORT, OR OT	HER DATA
TYPE OF SUBMISSION	TYPE OF ACTION				· — — — — — —	
Notice of Intent	☐ Acidize	Deep	en	☐ Production	n (Start/Resume)	■ Water Shut-Off
_	☐ Alter Casing	☐ Hydr	☐ Hydraulic Fracturing ☐ Recla		on	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	_	□ New Construction □ Re		Venting and/or Flari	
☐ Final Abandonment Notice	Change Plans				ily Abandon	ng
	Convert to Injection			☐ Water Dis		
13. Describe Proposed or Completed of If the proposal is to deepen directi Attach the Bond under which the following completion of the involtesting has been completed. Final determined that the site is ready for Cimarex Energy Co. respectively. The control of the complete is ready for the complete in	onally or recomplete horizontally work will be performed or provid- ved operations. If the operation re Abandonment Notices must be for final inspection.	, give subsurface lethe Bond No. on esults in a multiple iled only after all not only after not not only after not not only after not	ocations and mea- file with BLM/Bi completion or re equirements, inch flare at the M	sured and true verti IA. Required subso completion in a new adding reclamation, arquardt 1	cal depths of all pert equent reports must be w interval, a Form 3 have been completed	inent markers and zones. be filed within 30 days 160-4 must be filed once
Wells: Marquardt 1 Federal 13 30-	015-37382				<u>F</u>	* IECEIVED
FOR RECORDS ONLY UNIVERSAL DISTRICT II-ARTESIA O						
				411118 AE)	THARTESIA O.C.D.
14. I hereby certify that the foregoin	g is true and correct. Electronic Submission # For CIMAREX EN committed to AFMSS for prod	ERGY COMPAN	Y OF CO, sent	to the Carlsbad	ľ	
	Y E CRAWFORD			LATORY ANLA		
Signature (Electron	ic Submission)		Date 05/03/	2018		
	THIS SPACE F		L OR STATE	OFFICE US	E	
	Isl Jonathon She	pard			nepri . :	5/30/2018
Approved By	ISI Juliation	•	Title	Michael William		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.

Title

Office

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.

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.