Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 uary 31, 2018

M9Artesia	Expires: Jani				
	5. Lease Serial No.				

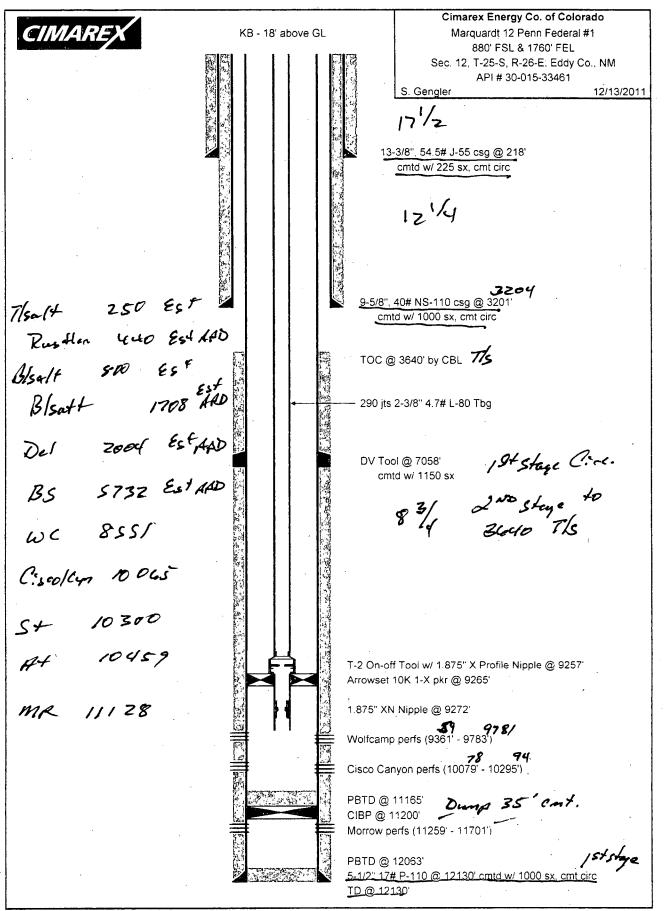
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill of the proposal IESIAO.C.D. abandoned well. Use form 3160-3 (APD) for such proposal IESIAO.C.D.					Lease Serial No. NMNM14124 If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE - Other instructions on page 2					7. If Unit or CA/Agreement, Name and/or No.		
Type of Well Oil Well					8. Well Name and No. MARQUARDT 12 PENN FEDERAL 1		
Name of Operator Contact: DAVID A EYLER CIMAREX ENERGY COMPANY OF CO-Mail: DEYLER@MILAGRO-RES.COM					9. API Well No. 30-015-33461-00-C2		
3a. Address 600 N MARIENFELD STE 600 MIDLAND, TX 79701	3b. Phone No. Ph: 432-68	(include area code 7-3033)	10. Field and Pool or Exploratory Area SAGE DRAW-WOLFCAMP, EAST WHITE CITY-PENN (GAS)			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, State		
Sec 12 T25S R26E SWNE 88		EDDY COUNTY, NM					
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICA	ΓΕ NATURE O	F NOTICE,	REPORT, OR OTI	HER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	☐ Acidize	☐ Deep	oen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off	
☐ Alter Casing		☐ Hydraulic Fracturing ☐ Rec		Reclam	ation '	■ Well Integrity	
☐ Subsequent Report	Casing Repair	· 🗖 New	Construction	□ Recomp	olete	Other	
☐ Final Abandonment Notice	☐ Change Plans	🛛 Plug	and Abandon	☐ Tempor	arily Abandon		
	☐ Convert to Injection	-		□ Water I	Disposal		
13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wor following completion of the involved testing has been completed. Final Al determined that the site is ready for for the proposed of the prop	ally or recomplete horizontally k will be performed or provide operations. If the operation repandonment Notices must be final inspection. PUMP 25 SXS.CMT. @ 141'-8,461'(T/WLCP.). 43'-6,973'(5-1/2"DV TOC 148'-6,088'(T/BNSG.). 14'-8,200'. 325'(T/DLWR.). 15'-750'(13-3/8"CSG.ST 105'-750'(13-3/8"CSG.SHOLLING ALL ANNULI, 100'.LHEAD 3' B.G.L.; VERIIE MARKER. WE PLAN TO USE THE	give subsurface the Bond No. on sults in a multiple de only after all 1 (9, 200) (9,300'-9,110', DL); WOC X TO SXS.CMT. (6) SYS.CMT. (6) SYS.CMT. (6) SYS.CMT. (7) CLOSED-LO	locations and meast file with BLM/BI/e completion or receive equirements, including the completion of	ared and true ve A. Required su bimpletion in a right of the second of t	ELD ON STEEL PLA	in markers and zones. Filed within 30 days on the filed within 30 days on the filed once and the operator has one filed on the	
Con	Electronic Submission # For CIMAREX END Imitted to AFMSS for prod	ERGY COMPA	IY OF CO, sent to SCILLA PEREZ o	to the Carlsb n 05/07/2019	ad		
Name (Printed/Typed) DAVID A EYLER		Title AGENT					
Signature (Electronic S	ubmission)		Date 05/07/2	019			
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE		
Approved By Conditions of approval, if any, are attached. Approval of this notice does not warran			Title 5	ET		S-12-19 Date	
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 CFC	· ·			

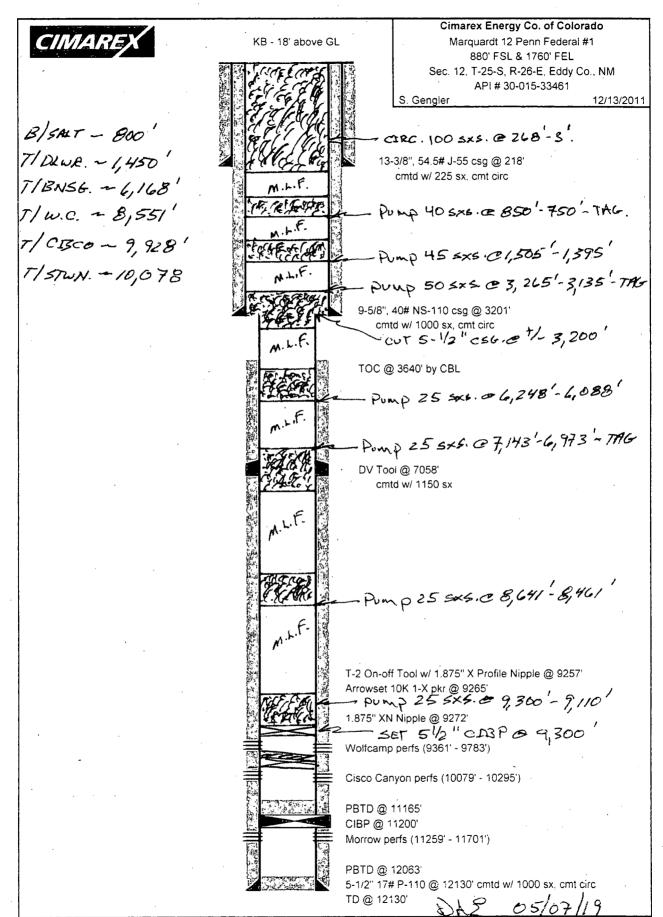
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional data for EC transaction #464428 that would not fit on the form

32. Additional remarks, continued

THE REQUIRED DISPOSAL, PER OCD RULE 19.15.17.





BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>minety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification</u>: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brime** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all amnuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

 The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 8. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.