Form 3 50-57 (August 2007) Do aba	B SUNDRY not use the	UNITED STAT EPARTMENT OF THE UREAU OF LAND MAN NOTICES AND REP is form for proposals II. Use form 3160-3 (A		FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. NMLC062085 6. If Indian, Allottee or Tribe Name				
	BMIT IN TRI	·	7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well	s Well 🔲 Otl		8. Well Name and No. WEST SHUGART 31 FEDERAL COM 5					
2. Name of Operator CIMAREX ENERG	GY COMPA	-	9. API Well No. 30-015-38221-00-S1					
3a. Address 600 NORTH MAR MIDLAND, TX 79)	10. Field and Pool, or Exploratory HACKBERRY					
4. Location of Well (F	Footage, Sec., T		11. County or Parish, and State					
Sec 31 T18S R31	E NESE 198		EDDY COUNT	Υ, NM				
	НЕСК АРРІ	ROPRIATE BOX(ES)	TO INDICATE NATURE OF	NOTICE, REI	PORT, OR OTHE	ER DATA		
TYPE OF SUBMI	SSION	TYPE OF ACTION						
☑ Notice of Intent	ort	 Acidize Alter Casing Casing Repair 	 Deepen Fracture Treat New Construction 	 Production (Start/Resume) Reclamation Recomplete 		□ Water Shut-Off □ Well Integrity □ Other		
🗖 Final Abandonm	ent Notice	Change Plans	Plug and Abandon	Temporarily Abandon				

Plug Back

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. 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

OCD Artesia

APR 1 1 2013

Convert to Injection

determined that the site is ready for final inspection.)

Cimarex Energy Co. of Colorado repectfully requests approval for disposal of produced water from the West Shugart 31 Federal Com 5 Battery per the attached water production and disposal information. 600 4/15/2013 ac for record NMOCD

SEE ATTACHED FOR CONDITIONS OF APPROVAL

🛛 Water Disposal

14. I hereby certify that	the foregoing is true and correct. Electronic Submission #202998 verifie For CIMAREX ENERGY COMPA Committed to AFMSS for processing by KU	NY OF (CO, sent t	the C	arlsbad			<u></u>
Name (Printed/Typed	MICHELLE CHAPPELL	Title	REGUL	ATOR	Y TECHN	ICIAN		
Signature	(Electronic Submission)	Date	03/28/2	013				
	THIS SPACE FOR FEDERA		STATE	OFFIC	CE USE			
Approved_ByJERRY		Title	EAD PE		APP	ROVE)	Date 04/06/2013
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.			Carlsba	9	V PR	- 6_ 2013		
Title 18 U.S.C. Section 10 States any false, fictition	01 and Title 43 U.S.C. Section 1212, make it a crime for any period is or fraudulent statements or representations as to any matter w	erson kno ithin its j	wingly and urisdiction.	willful	y to make to	any department	or agency	of the United
*	* BLM REVISED ** BLM REVISED ** BLM R	EVISE	D ** BLN	I REV	EAU OF	LAND MANAG Blmerevis	EMENT ED **	

SUBJECT TO LIKE APPROVAL BY STATE

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

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- 6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 9. This **approval is for produced water disposal only** and any hydrocarbons removed from lease by this method will be subject to royalty payment as well as other enforcement actions as necessary.
- 10. Disposal at any other site will require prior approval.
- 11. Subject to like approval by NMOCD.

JDB4/6/2013