

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM111530
2. Name of Operator CIMAREX ENERGY COMPANY OF CO Contact: HOPE KNAULS E-Mail: hknaults@cimarex.com		6. If Indian, Allottee or Tribe Name
3a. Address 600 NORTH MARIENFELD STREET SUITE 600 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 918.295.1799	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 18 T25S R27E NENW 150FNL 2310FWL 32.123578 N Lat, 104.230872 W Lon		8. Well Name and No. GADWALL 18 FEDERAL COM 2
		9. API Well No. 30-015-39141-00-S1
		10. Field and Pool, or Exploratory WILDCAT
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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 determined that the site is ready for final inspection.)

Cimarex Energy respectfully requests approval of the following water production and disposal information:

Produced Water Formation Name: Bone Spring  
 BWPD produced from all formations: 35 BPD  
 How is water stored on lease: 3 each 500 bbls water tank  
 How is water moved to disposal facility: Transfer Pump  
 Disposal Facility info:  
 Operator: Cimarex Energy  
 Name: Liberty 24-1 SWD-  
 Type: SWD  
 Location: Sec. 24, 25S, 26E

*APD 8-12-2014*  
 Accepted for record  
 NMOC

**NM OIL CONSERVATION**  
 ARTESIA DISTRICT  
 JUL 31 2014

**RECEIVED**  
 SEE ATTACHED FOR  
 CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #250531 verified by the BLM Well Information System</b> <b>For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad</b> <b>Committed to AFMSS for processing by JAMES AMOS on 07/29/2014 (14JA1102SE)</b>	
Name (Printed/Typed) HOPE KNAULS	Title REGULATORY TECHNICIAN
Signature (Electronic Submission)	Date 06/24/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JAMES A AMOS</u>	Title <u>SUPERVISOR EPS</u>	Date <u>07/29/2014</u>
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.		Office <u>Carlsbad</u>

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 #250531 that would not fit on the form**

**32. Additional remarks, continued**

SWD Permit #: SWD-1216

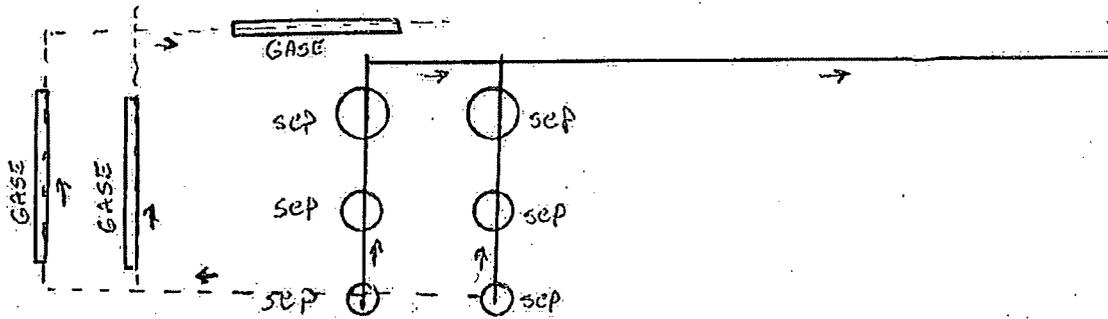
**BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**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.
8. 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.

9/22/09



Cimarex Energy

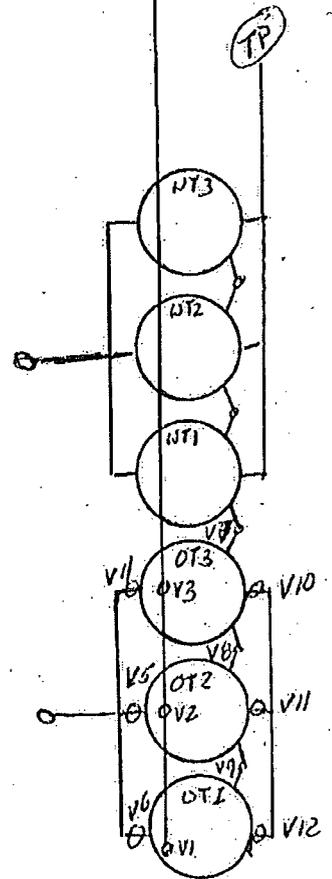
Gadwall 18 Fed COM 2  
 Gadwall 18 Fed Com 3  
 NMNM III 530  
 NENW 18 25S 27E  
 NWNW 18 25S 27E

I. Production Phase (OT #1)

- 1.) Valve 1 Open
- 2.) Valve 9 Open
- 3.) Valve 6 Sealed Closed
- 4.) Valve 5 Sealed Closed
- 5.) Valve 4 Sealed Closed
- 6.) Valves on OT #2 positioned
  - A.) Valve 2 closed
  - B.) Valve 10 closed + sealed
  - C.) Valve 5 closed + sealed
- 7.) Valves on OT #3 positioned
  - A.) Valve 3 closed
  - B.) Valve 10 closed + sealed
  - C.) Valve 4 closed + sealed

II Sales Phase (OT #1)

- 1.) Valves 1, 12, 11, 10 sealed closed
- 2.) Valve 6 OPEN
- 3.) Valves on OT #2 Positioned
  - A.) Valve 2 open
  - B.) Valve 5 closed
  - C.) Valve 11 closed
  - D.) Valve 5 sealed closed



Accepted for Record Purposes.  
 Approval Subject to Onsite Inspection.  
 Date: 7-29-17

*J. [Signature]*