

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Artesia

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.

5. Lease Serial No.
NMMN96208

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

8. Well Name and No.
TAOS FEDERAL 3

9. API Well No.
30-015-38248-00-S1

10. Field and Pool, or Exploratory
UPPER PENN

11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CIMAREX ENERGY COMPANY OF CO
Contact: PAULA BRUNSON
Mail: pbrunson@cimarex.com

3a. Address
202 S CHEYENNE AVE SUITE 1000
TULSA, OK 74103.4346

3b. Phone No. (include area code)
Ph: 432-571-7848

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 31 T24S R27E SESE 250FSL 475FEL

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 checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Venting and/or Flaring |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input 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 recomplate 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 has reviewed its flare permits and has determined the flare permit for the following wells was not filed prior to flaring:

- Taos Federal 3; API 30-015-38248; 31-24S-27E, 250 FSL 475 FEL
- Taos Federal 4; API 30-015-41270; 31-24S-27E, 275 FSL 630 FEL

Please see information below for the combined monthly flare volumes:

- 2013
- August 1560 MCF
- September 2,839 MCF
- October 834 MCF

UPD 10/15/15
Accepted for record
NMOCD

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 14 2015

SEE ATTACHED FOR RECEIVED
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #301012 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 09/29/2015 (15JAS0614SE)

Name (Printed/Typed) PAULA BRUNSON Title REGULATORY ANALYST

Signature (Electronic Submission) Date 05/07/2015

ACCEPTED FOR RECORD
OCT 14 2015
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____

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 _____

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 #301012 that would not fit on the form

32. Additional remarks, continued

November 1608 MCF
December 1477 MCF

2014

January 94 MCF
February 140 MCF
March 310 MCF
April 243 MCF
May 92 MCF
June 149 MCF
July 80 MCF
August 21 MCF
September 45 MCF
October 50 MCF
November 62 MCF
December 223 MCF

OGOR flare volumes have been reported timely.

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 100115