

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

HOBBS OCD

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.

MAY 02 2012

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM28880
2. Name of Operator CIMAREX ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
Contact: CELESTE DALE E-Mail: cdale@cimarex.com		7. If Unit or CA/Agreement, Name and/or No. NM127606
3a. Address 600 NORTH MARIENFELD STREET SUITE #600 MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-620-1959	8. Well Name and No. LYNCH 23 FEDERAL COM 2H
4. Location of Well (Footage, Sec., T, R, M., or Survey Description) Sec 23 T20S R34E Mer NMP NENE 330FNL 660FEL		9. API Well No. 30-025-40123
		10. Field and Pool, or Exploratory LEA; BONE SPRING, SOUTH
		11. County or Parish, and State LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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	
	<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 recompleat 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.)

Site Security Diagram document attached for referenced well. - *IN future Submit on separate Sundry***Salt Water Disposal:**

Produced water to be piped from the Lynch 23 Fed Com #2 to the lease battery located at the Lynch 23 Fed Com #1, NW/4 NE/4, Sec. 23, T20S, R34E, then north through the existing surface flowline from the battery to the Whitten SWD, OCD SWD #525, 30-025-20386, Sec. 14, T20S, R34E.

*SEE ATTACHED Required Information Sheet.***SEE ATTACHED FOR
CONDITIONS OF APPROVAL****ACCEPTED FOR RECORD****APR 28 2012**

14. Thereby certify that the foregoing is true and correct.

Electronic Submission #136436 verified by the BLM Well Information System
For CIMAREX ENERGY COMPANY, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 04/26/2012

Name (Printed/Typed) CELESTE DALE

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 04/25/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

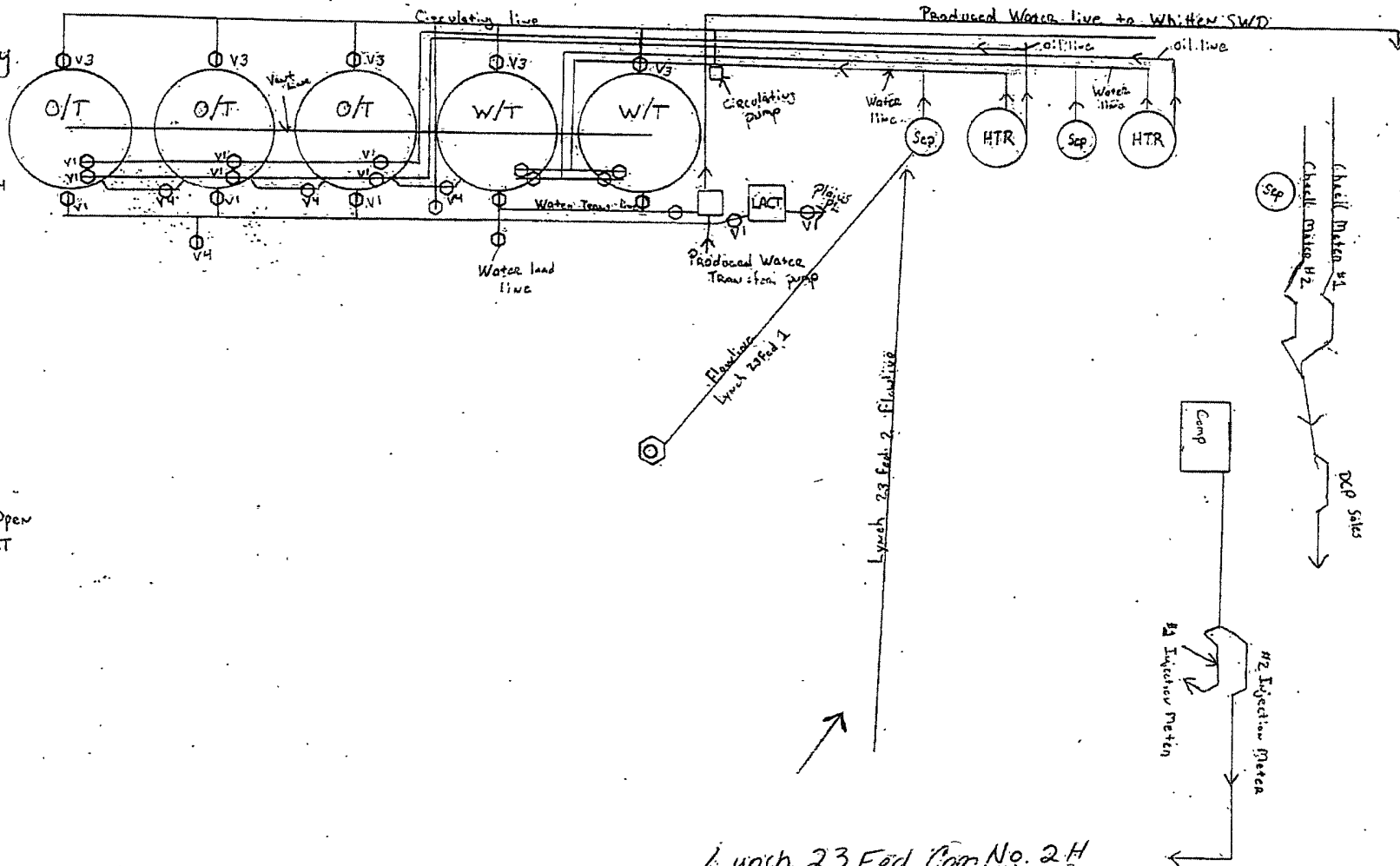
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

MAY 03 2012

Site Security Diagram

Cimarex Energy Co
 Lynch 23 Fed 1 BHTy
 Sec. 23, T20S, R34E
 320' FNL + 1830' FEL
 API # 30-025-40115
 Lea Co., NM
 NM 123524



Production System - Open
 Oil Sales as by LACT

Accepted for Record Purposes.
 Approval Subject to Onsite Inspections.
 Date: 4-28-12 *[Signature]*

Lynch 23 Fed Com No. 2 H
 S. 23 T-20-S R-34-E
 330' FNL + 660' FEL, ULL "A"
 API # 30-025-40123
 NMNM 28880
 Lea; Bone Spring, South
 Lea Co., NM.

**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. Disposal at any other site will require prior approval.
10. Subject to like approval by NMOCD.

4/28/2012