SUNDRY	OCD Hobbs FORM APPROVION UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT HOBBS OCD SUNDRY NOTICES AND REPORTS ON WELLS 5. Lease Serial No. Not use this form for proposals to drill or to re-enter an 0.2 2014 6. If Indian, Allottee or Tribe Na						
SUBMIT IN TRIPLICATE - Other instructions on reverse side.						7. If Unit or CA//	Agreement, Name and/or No.
I. Type of Well Other						8. Well Name and No. LYNCH 25 FEDERAL COM 2 H	
2. Name of Operator Contact: TIM GREEN NEARBURG PRODUCING COMPANYE-Mail: tgreen@nearburg.com						9. API Well No. 30-025-4109	90
			lo. (include area code) 318-2940			10. Field and Poo LEA BONE	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)						11. County or Parish, and State	
Sec 25 T20S R34E 660FSL 150FEL			·] L			LEA COUNTY, NM	
12. CHECK APPI	ROPRIATE BOX(ES) TO) INDICATE	NATURE	OF N	OTICE, REI	PORT, OR OT	HER DATA
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	🗖 Acidize	Deepen			Production (Start/Resume)		
Subsequent Report	Alter Casing	—	—		Reclamation		Well Integrity
☐ Final Abandonment Notice	Casing Repair Change Plans		v Construction 🔲 Recom		Temporal		🛛 Other
	Convert to Injection	-			U Water Di	· · · ,	
determined that the site is ready for fi Nearburg Producing Company Lynch 25 Federal Com #2 wel Proposal:	r respectfully requests an I to the following:	operator cha	nge and w		e change of	the	•
Operator: Nearburg Producing Company Well Name: Lea South 25 Federal Com #2H SUB			ECT TO LIKE CONDITIONS OF APPROVAL				
Previous approval: Operator: Cimarex Energy Co. Well Name: Lynch 25 Federal Com #2							
Nearburg Producing Company	accepts all applicable ter	rms, condition	ns, stipulati	A .		\$ 5000	53
4. I hereby certify that the foregoing is	Electronic Submission #2 For NEARBURG I	PRODUCING	by the BLI	Well sent to	Information S the Hobbs	System	<u> </u>
Committed to AFMSS for processing by JERRY BLAKLEY on 03/27/2014 () Name(Printed/Typed) TIM GREEN Title MARKETING & PRODUCTION SERVICE							
Signature (Electronic Submission)			Date 03/27/2014				
······	THIS SPACE FO	R FEDERA	L OR ST		FÉI¢ĖĮUS	<u>IUVED</u>	
	Stabler		Title		MAR-2	7 2014	Date
nditions of approval, if any, are attached ify that the applicant holds egal or equ ch would entitle the applicant to condu	itable title to those rights in the ct operations thereon.	subject lease	Office				
e 18 U.S.C. Section 1001 and Title 43 tates any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a catatements or representations as	crime for any pe to any matter wi	rson knowing thin its jurise	ly and a liction.	CARLSBAD	FIELD OFFICE	f or agency of the United
** OPERAT	OR-SUBMITTED ** OI	PERATOR-	SUBMITT	ED **	OPERATO	R-SUBMITTI	ED **
	record on	ILY			· ,		
MW/OC	D 4-3-14					APR	0 3 2014

Additional data for EC transaction #240216 that would not fit on the form

32. Additional remarks, continued

concerning operations conducted on the leased land. or fortions there of

BLM Bond: NMB000153

This well will be drilled in 2014 Pelase see attached OCD Operator Change C145. C-145 Form C-145 August 1, 2011 District 1 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 State of New Mexico Energy, Minerals and Natural Permit 178728 District II DISTRICT II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 Resources District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 MOBBS OCD **Oil Conservation Division** District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 1220 S. St Francis Dr. JAN 09 2014 Santa Fe, NM 87505

Change of Operator RECEIVED

Previous Operator Information

New Operator Information

		Effective Date:	Effective on the date of approval by the OCD
OGRID:	215099	OGRID:	15742
Name:	CIMAREX ENERGY CO.	Name:	NEARBURG PRODUCING CO
Address:	600 N MARIENFELD STREET	Address:	3300 N. A Street, Bldg 2,
	SUITE 600		Suite 120
City, State, Zip:	MIDLAND , TX 79701	City, State, Zip:	Midland, TX 79707

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, NEARBURG PRODUCING CO certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(I) NMAC.

NEARBURG PRODUCING CO understands that the OCD's approval of this operator change:

- 1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
- 2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

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

Effective 1/10/2014 Bond NMB000153

3/27/2014 Approved subject to Conditions of Approval. JDB Change of Operator Conditions of Approval

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
- 9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
- 10. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.