

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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OCT 14 2010

HOBBSD

FORM APPROVED
OMB NO. 1004-0135
Expires January 31, 2004

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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

CIMAREX ENERGY CO. OF COLORADO

ATTN: ZENO FARRIS

3a. Address

600 N. MARTINEFELD, SUITE 707, MIDLAND, TEXAS 79701

3b. Phone No. (include area code)

(432) 571-7800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UNIT LETTER N 660

1,980' FWL & 600' FSL

SEC. 06, T-19S, R-34E

5. Lease Serial No.

NM 6869

6. If Indian, Allottee or Tribe Name

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

NM 71014 A

8. Well Name and No.

PIPELINE DEEP #004

9. API Well No.

30-025-25913

10. Field and Pool, or Exploratory Area

QUAIL RIDGE NORTH

11. County or Parish, State

LEA COUNTY N.M.

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

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleate 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 recompleation 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 final site is ready for final inspection.)

10/03/10: SET 5-1/2" CIBP @ 9,100'; CIRC. WELL W/ PEA MID; MIX X PUMP A 25 SK. CMT. PLUG @ 9,100'-8,900'; MIX X PUMP A 25 SK. CMT. PLUG @ 7,654'; WOC X TAG TOP OF CMT. PLUG @ 7,449'.

10/04/10: CUT 5-1/2" CSG. @ 5,189' - NOT FREE.

10/05/10: MIX X SO2. A 100 SK. CMT. PLUG OUT CSG. CUT @ 5,189'; WOC X TAG TOP OF CMT. PLUG @ 4,896'.

10/06/10: CUT X FULL 5-1/2" CSG. @ 3,273'.

10/07/10: MIX X PUMP A 65 SK. CMT. PLUG @ 3,355'; WOC - DID NOT TAG CMT. PLUG.

10/08/10: MIX X RE-PUMP A 50 SK. CMT. PLUG @ 3,355'; WOC X TAG TOP OF CMT. PLUG @ 3,048'; MIX X PUMP A

40 SK. CMT. PLUG @ 3,048'; WOC X TAG TOP OF CMT. PLUG @ 2,967'. 8' plug (388) combined.

10/09/10: MIX X PUMP A 50 SK. CMT. PLUG @ 1,935'; WOC X TAG TOP OF CMT. PLUG @ 1,806'; MIX X PUMP A 50

SK. CMT. PLUG @ 400'-255' (CALC.); MIX X CIRC. TO SURFACE A 30 SK. CMT. PLUG @ 63'-3'.

10/10/10: DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CASING X INSTALL RISER 2" FROM

GROUND LEVEL W/ 8" X 8" ALUMINUM PLATE FOR LESSER PRAIRIE CHICKEN HABITAT AREA.

WELL PLUGGED AND ABANDONED (10/10/10).

Reclamation Due 4-10-11

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DAVID A. EYLER

Title

AGENT

Date 10/11/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ELG 10-18-10

Title

Office

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.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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 or to furnish any false, fictitious or fraudulent information.

ACCEPTED FOR RECORD

OCT 12 2010

BUREAU OF LAND MANAGEMENT

Accepted as to plugging of the well bore.
Liability under bond is retained until
Surface restoration is completed.

RECEIVED

p.2

JUN 03 2010

Form C-144 CLEZ
July 21, 2008

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBSOCD

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOC District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☐ Permit ☒ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144. Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

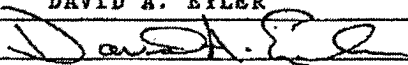
Operator: CIMAREX ENERGY CO. OF COLORADO		OGRID#:
Address: 600 N. MARIENFELD, SUITE 600, MIDLAND, TEXAS 79701		
Facility or well name: PIPELINE DEEP FEDERAL UNIT #004		
API Number: 30-025-25913	OCD Permit Number: PI-02074	
U/L or Qtr/Qtr: N	Section: 06	Township: 19S Range: 34E County: LEA
Center of Proposed Design: Latitude		Longitude NAD: <input type="checkbox"/> 1927 <input type="checkbox"/> 1983
Surface Owner: <input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment		

<input checked="" type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC
Operation: <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input checked="" type="checkbox"/> P&A
<input checked="" type="checkbox"/> Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins

Signs: Subsection C of 19.15.17.11 NMAC
<input checked="" type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
<input type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC	
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.	
<input type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC	
<input type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC	
<input checked="" type="checkbox"/> Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
<input type="checkbox"/> Previously Approved Design (attach copy of design)	API Number:
<input type="checkbox"/> Previously Approved Operating and Maintenance Plan	API Number:

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)	
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.	
Disposal Facility Name: CANDY MARLEY	Disposal Facility Permit Number: NM 01-0019
Disposal Facility Name: CRT	Disposal Facility Permit Number: NM 01-0006
Disposal Facility Name: SUNDANDE	Disposal Facility Permit Number: NM 01-0003
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?	
<input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No	
Required for impacted areas which will not be used for future service and operations:	
<input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
<input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC	
<input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	

Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.	
Name (Print): DAVID A. EYLER	Title: AGENT
Signature: 	Date: 04/12/10
e-mail address: deyer@milagro-res.com	Telephone: (432) 687-3033

1. OCD Approval: <input type="checkbox"/> Permit Application (including closure plan) <input checked="" type="checkbox"/> Closure Plan (only)	
OCD Representative Signature: <u><i>E. G. Goyale</i></u>	Approval Date: <u>6-3-10</u>
Title: <u>STAFF HRR</u>	OCD Permit Number: <u>91-02074</u>

2. Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC <i>Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.</i>	
XX Closure Completion Date: <u>10/10/10</u>	

3. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: <i>Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.</i>	
Disposal Facility Name: <u>GANDY MARLEY</u>	Disposal Facility Permit Number: <u>NM 01-0019</u>
Disposal Facility Name: <u>SUNDANCE</u>	Disposal Facility Permit Number: <u>NM 01-0003</u>
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? <input type="checkbox"/> Yes (If yes, please demonstrate compliance to the items below) <input checked="" type="checkbox"/> No	
Required for impacted areas which will not be used for future service and operations: <input type="checkbox"/> Site Reclamation (Photo Documentation) <input type="checkbox"/> Soil Backfilling and Cover Installation <input type="checkbox"/> Re-vegetation Application Rates and Seeding Technique	

1a. Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.	
Name (Print): <u>DAVID A. EYLER</u>	Title: <u>AGENT</u>
Signature: <u><i>David A. Eyley</i></u>	Date: <u>10/11/10</u>
e-mail address: <u>deyler@milagro-res.com</u>	Telephone: <u>(432) 687-3033</u>

EG 10-18-10