

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

ARTESIA DISTRICT

OCD Artesia

SEP 26 2017

BLM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM040547 ✓
2. Name of Operator CIMAREX ENERGY COMPANY ✓		6. If Indian, Allottee or Tribe Name
Contact: TERRI STATHEM E-Mail: tstatthem@cimarex.com		7. If Unit or CA/Agreement, Name and/or No. NM711926
3a. Address 202 S. CHEYENNE AVE, STE 1000 TULSA, OK 74103	3b. Phone No. (include area code) Ph: 432-620-1936	9. API Well No. 30-015-20286 ✓
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T23S R26E NESW 100FSL 100FWL 1980		10. Field and Pool or Exploratory Area CARLSBAD MORROW S (GAS) STRAWN South.
		11. County or Parish, State 74120 EDDY COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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 checked="" 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 recomple 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 Co. of Colorado respectfully requests approval to abandon the Morrow and plugback the Gulf Federal #1 well to the Wildcat Strawn pool according to the attached procedure. ~~If the Strawn is uneconomic Cimarex proposes to plugback and per the Cisco Canyon & Wolfcamp; Black River, Upper Penn (Gas) pool and Purple Sage - Wolfcamp pool as indicated on the attached procedure.~~

*Approved for
Recompletion to
Strawn, only.*

~~Cimarex also requests approval to downhole commingle the Cisco Canyon and the Wolfcamp pools. The 2016 White City Area Downhole commingling Field Study included the referenced well for commingling. The field study was approved 7/6/16.~~

NMOCD DHC permit: pending state approval

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #366783 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/14/2017 ()	
Name (Printed/Typed) TERRI STATHEM	Title MANAGER REGULATORY COMPLIANCE
Signature (Electronic Submission)	Date 02/11/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>Paul R. Sherry</i>	Title <i>TPET</i>	Date <i>09/19/17</i>
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 <i>CFO</i>

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.

(Instructions on page 2)

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

RW 10-6-17

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-20286	² Pool Code 74120	³ Pool Name Carlsbad Wildcat; Strawn South.
⁴ Property Code 28999	⁵ Property Name Gulf Federal	⁶ Well Number 1
⁷ OGRID No. 162683	⁸ Operator Name Cimarex Energy Co. of Colorado	⁹ Elevation 3225'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	1	23S	26E		1980	South	1980	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns an working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>[Signature]</i> Date: 2-13-2017</p> <p>Printed Name: Terri Stathem</p> <p>E-mail Address: tstathem@cimarex.com</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey:</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>



Appendix D: Recompletion Procedure – Gulf Fed 1

Well Data

KB	18'
TD	12,075'
PBTD	12,030'
Casing	16" 75# H-40 @ 383'. Cmt'd w/ 450 sx, cmt circ 9-5/8" 40&43.5# N-80&P-110 @ 7,100'. Cmt'd w/ 1,650 sx. TOC @ 2,000' by TS 5-1/2" 17&20# N-80 @ 12,074'. Cmt'd w/ 1,350 sx. TOC @ 6,730' by TS. TOL @ 6,704' sqzd w/ 100 sx.
Tubing	2-3/8" 4.7# N-80 Hydril tbg
Current Prod. Perfs	Morrow (11,647' – 11,866')
Proposed RC Perfs	Strawn (10,341' – 10,727')

Procedure to plugback to the Strawn

Notify BLM 24 hours prior to starting operations.

1. Test anchors prior to moving in rig.
2. Move in rig up pulling unit.
3. Kill well as necessary with 7% KCl.
4. Nipple down wellhead, nipple up 5,000 psi blow out preventer stack.
5. TOO H w/ 2-3/8" 4.7# N-80 tbg. Stand back tbg. Scan tubing during TOO H.
6. TIH w/ 5-1/2" CIBP and set CIBP at +/- 11,597'
7. Pump 25 sx cement down tbg on top of CIBP set at +/- 11,597'. Abandon Morrow.
8. TOO H w/ tbg 1,000', stand back tbg
9. Reverse circulate 2 tbg volumes
10. Continue TOO H to surface, stand back tbg
11. RU wireline
12. RIH w/ GR/JB to +/- 10,727'
13. RIH w/ casing guns to perforate Strawn 10,341' – 10,727'
14. RIH to set packer w/ pump out plug set to 1800 psi differential pressure at +/- 10,291'
15. RDMO Wireline
16. TIH w/ 2-3/8" tbg and gas lift valves to latch into packer
17. ND BOP, NU WH
18. RDMO pulling unit
19. RU pump truck and pump out plug
20. MIRU Propetro acid
21. Pump 19,000 total gallons of 15% NEFE HCl with 225 ball sealers down 2-3/8" tubing

Conditions of Approval

Cimarex Energy Company

Gulf – 01, API 3001520286

T23S-R26E, Sec 01, 1980FSL & 1980FWL

September 19, 2017

1. **Within 90 days of these conditions of approval for the processed Electronic Submission #366783 notice of intent begin wellbore operations.**
2. **Prior to beginning this workover submit a sundry for BLM approval a Lease Operating Statement (L.O.S.) for the last 12 consecutive months showing all production, revenue, taxes, and royalties paid, include all types of operating and maintenance expense. This should initially at be a gross level, then boiled down with net numbers showing monthly (PROFIT/LOSS).**
3. **Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location for this workover operation.**
4. The communization agreement for this well (NM71196) does not include the Strawn pay. Amendments to that agreement are necessary.
5. Subject to like approval by the New Mexico Oil Conservation Division.
6. Before adding, replacing, or repairing casing or a liner, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
8. Surface disturbance beyond the existing pad shall have prior BLM approval.
9. Functional H₂S monitoring equipment shall be on location.
10. Blow Out Prevention Equipment 3000 (3M) to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels or automatic locking devices) equipment installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) employed when needed for reasonable well control requirements.
11. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created during work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
12. Notify BLM 575-361-2822 Eddy Co as work begins. Some procedures witnessed. If there is no response, leave a voice mail with the API#, workover purpose, and a call back phone number.

13. The BLM PET witness is to run tbg tally and agree to cement volumes and placement.
Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
14. After setting the top plug and before perforating, **perform a charted casing integrity test** of 1100psig minimum. Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 35 to 85 per cent of its full range. **Verify all annular casing vents plumbed to the surface and open during this pressure test. Call BLM 575-361-2822 Eddy Co. and arrange for a BLM witness of that pressure test.**
Include a copy of the chart with the subsequent sundry for this workover.
15. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from the proposed 11,587' CIBP taken with 0psig casing pressure to TOC. Attach the CBL to a pswartz@blm.gov email.**
16. **Find TOC for the 9 5/8" casing. The well location is within BLM's Medium Cave Karst Area and requires two casing strings, with cement circulated to surface. Correct this noncompliance condition.**
17. **This procedure is subject to the next three numbered paragraphs.**
18. Set cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft from the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 1/2" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
19. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
20. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
21. **Set a balanced 50sx Class "H" cement plug on the 11597' proposed CIBP. WOC, and tag the plug with tubing at 11150' or above. The required plug should cover the Morrow formation top at 11229'.**
22. The subsequent report is to include stimulation injection pressures. Report maximum/minimum injection rate (BPM) and max/min stimulation injection pressures.
23. Submit a (BLM Form 3160-5 subsequent report describing (dated daily) all wellbore activity and the Mechanical Integrity Test. File intermediate Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
24. A BLM Well Recompletion Form 3160-4 and a NMOCD Form C-102 "Well Location and Acreage Dedication Plat" with updated information is necessary with the subsequent package when recompletion changes a well's Pool designation.
25. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.

An inactive/shut-in well bore is a non-producing completion that is capable of “beneficial use” i.e. production in **paying quantities** or of service use.

26. Submit evidence to support your determination that the well is in active “beneficial use” for BLM approval on the Sundry Notice Form 3160-5 within 90 days of this sundry’s approval date.
27. Should “beneficial use” not be achieved submit for BLM approval a plan for recompletion or plug and abandonment.

Operator: Cimarex Energy Company
Surface Lease: NM040547
Case No: NM71196
 Subsurface Concerns for Casing Designs: MdmCvkst
 Well Status: PGW
 Spud date: 3/7/1970
 Plug'd Date:
 Reentry Date:

Well: GULF FEDERAL-1
API: 3001520286
@ Srfce: T23S-R26E,01.1980s1980w
@ M TD: T23S-R26E,01.1980s1980w
Estate: P\I\F
 CWDW, R of W:
 OCD Admn Order, date:
 Frmtn, Depths, psig:

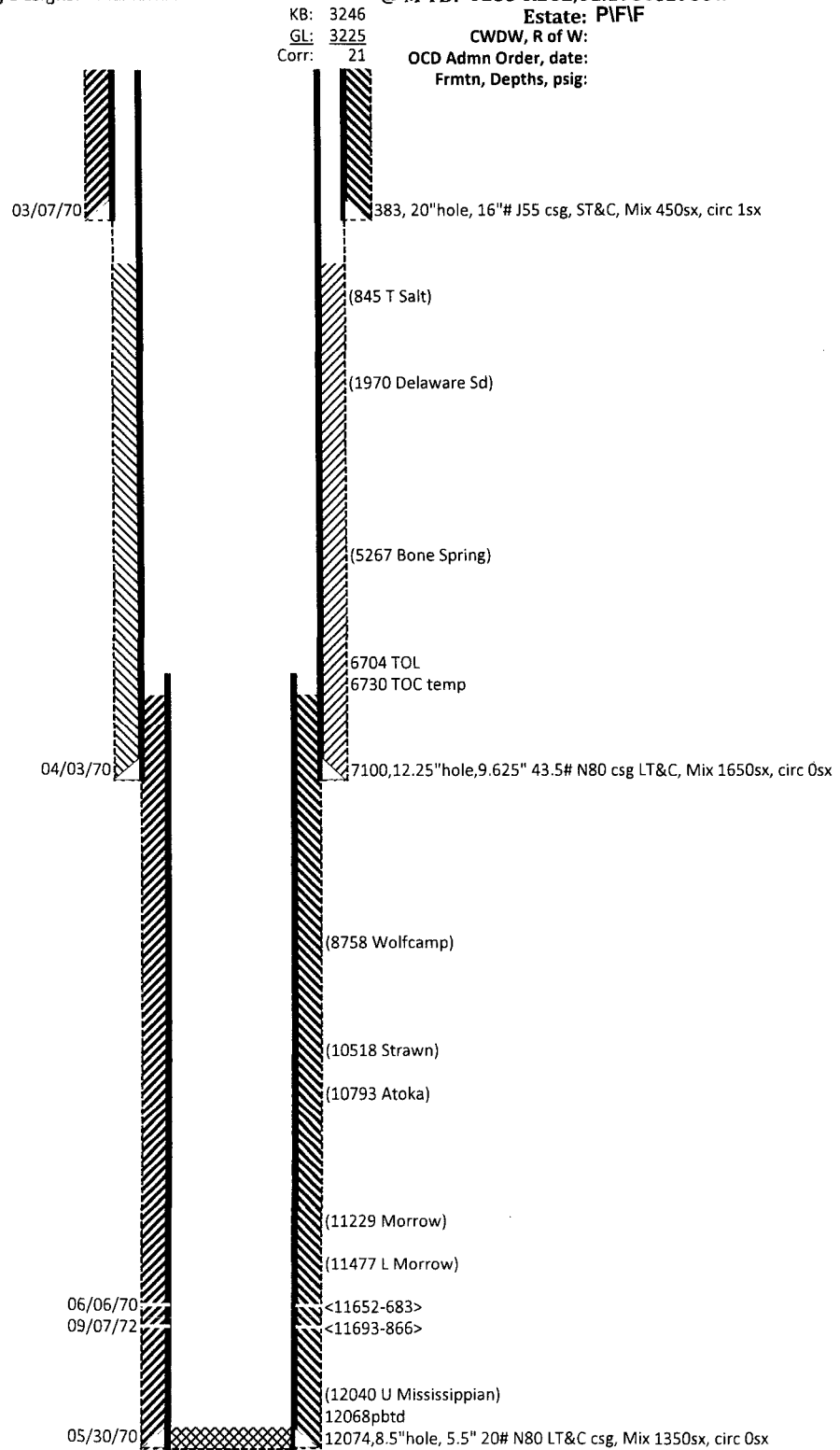


Diagram last updated: 09/19/2017