Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Carlsbad Field Office **OCD** Artesia

FORM 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. | | | | | 6. If Indian, Allottee or | Tribe Name |
|--|---|---|--|--|--|--|
| SUBMIT IN TRIPLICATE - Other instructions on page 2 | | | | | 7. If Unit or CA/Agree | ment, Name and/or No. |
| Type of Well | cr | | | - | 8. Well Name and No. MultipleSee Attac | hed |
| 2. Name of Operator CIMAREX ENERGY COMPAN | Contact: | TERRI STAT cimarex.com | HEM | | 9. API Well No. MultipleSee Att | ached |
| 3a. Address 202 S CHEYENNE AVE SUITE 1000 TULSA, OK 74103.4346 3b. Phone No. (include area code) Ph: 432-620-1936 | | | | | 10. Field and Pool or E MultipleSee Att | |
| 4. Location of Well (Footage, Sec., T. | , R., M., or Survey Description) | | | | 11. County or Parish, S | tate |
| MultipleSee Attached | | | | | EDDY COUNTY | , NM |
| 12. CHECK THE AF | PROPRIATE BOX(ES) | TO INDICA | TE NATURE O | F NOTICE, | REPORT, OR OTH | ER DATA |
| TYPE OF SUBMISSION | · | | TYPE OF | ACTION | | |
| Notice of Intent | □ Acidize | Dee | pen | □ Product | ion (Start/Resume) | ■ Water Shut-Off |
| _ | ☐ Alter Casing | ☐ Hyd | raulic Fracturing | □ Reclam | ation | ■ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | _ | Construction | ☐ Recomp | | Other Surface Commingling |
| ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection | | _ ` | and Abandon | | arily Abandon | Surface Comminging |
| | ☐ Convert to Injection | Plug | Back | ☐ Water I | Disposal | |
| If the proposal is to deepen directiona Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for final Cimarex Energy Co. respectfut tank battery from the following that the same is completed. Final Abdetermined that the site is ready for final tank battery from the following that the same is completed. Final Abdetermined that the site is ready for final tank battery from the following that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed. Final Abdetermined that the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed. Final Abdetermined that the same is completed to the same is completed to the same is completed to the same is completed. Final Abdetermined that the same is completed to the same i | k will be performed or provide operations. If the operation resiandonment Notices must be file nal inspection. Illy requests approval to su wells: | the Bond No. or ults in a multipl d only after all urface comm | ifile with BLM/BIA c completion or recording the completion of recording the completion of recording the completion of the complete comple | Required sulmpletion in a ring reclamatio on at a cent | bsequent reports must be a new interval, a Form 3160 n, have been completed an arral REC | iled within 30 days 4 must be filed once |
| Com | Electronic Submission #3 For CIMAREX ENEI imitted to AFMSS for proce | RGY COMPA | NY OF CO, sent t | o the Carlsb | ad | |
| Namc (Printed/Typed) TERRI ST | ATHEM | , | Title MANAG | ER REGUL | ATORY COMPLIAN | CE |
| Signature (Electronic S | ubmission) | | Date 10/02/2 | 017 | | |
| | THIS SPACE FO | R FEDERA | L OR STATE | OFFICE U | SE | |
| Approved By J. D. W. | litlock 2 | | Title TLP | ET | | 6/28/18 |
| Conditions of Apploval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conductive the conductive the applicant to conduct the applicant t | itable title to those rights in the | not warrant or subject lease | Office CF | • | | |
| Fitle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s | | | | willfully to ma | ake to any department or a | agency of the United |

Additional data for EC transaction #390446 that would not fit on the form

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

NMNM135720 NMNM136959

Wells/Facilities, continued

NMNM41645

Agreement NMNM41645

MINIM STREET

Lease MMNM21645 NMNM26105 Well/Fac Name, Number

FEDERAL 18 COM SH

API Number 30-0 (8-42/78-00-81

50-018-42777-00-81 /50-018-48685-00-817 Location
Sec 13 T25S R26E NENW 0273FNL 1920FWL
32.081134 N Lat, 104.145579 W Lon
Sec 13 T25S R26E NWNW 0330FNL 1980FEL
32.081071 N Lat, 104.143967 W Lon
Sec 13 T25S R26E NWNW 108FNL 660FWL
32.081304 N Lat, 104.151045 W Lon

10. Field and Pool, continued

WILDCAT



APPLICATION FOR OIL COMMINGLING AT A CENTRAL TANK BATTERY (CTB)

Proposal for Federal 13 & Federal 13 Com CTB

NMOCD Approval: Pending

Federal COM NMNM135720

 Well Name
 Location
 API #
 Pool
 24 88LPD
 Oil Grav

 Federal 13 Com #10H
 13-T255-R26E
 30-015-42665
 Cottonwood Draw;Bone Spring (97494)
 40.65

Federal Lease NMNM041645

 Well Name
 Location
 API #
 Pool
 38 BB LPD
 Oil Grav

 Federal 13 #9H
 13-T255-R26E
 30-015-42778
 Cottonwood Draw;Bone Spring (97494)
 40.65

Federal Lease COM NMNM136959

 Well Name
 Location
 API #
 Pool
 65 BBL PB
 Oil Grav

 Federal 13 Com #8H
 13-T25S-R26E
 30-015-42777
 Cottonwood Draw;Bone Spring (97494)
 40.65

Maps/Plats & diagrams:

Federal leases and well locations in Section 13-25S-26E

Plat of flowline route

Facility Diagram

The BLM's interest is outlined below:

COM:NMNM135720

NMNM36508 & NM4164512.5-25% both are Schedule B 12.5-25%

Lease:NMNM41645

Schedule B 12.5%

COM:NMNM136959

NMNM26105 is 12.5% & NMNM41645 is Schedule B 12.5 - 25%

Additional interest owners are not identical and notification of commingling is required.

Oil & Gas Production & Allocation

Oil gas and water production from the Federal 13 and Federal 13 Com wells comes into a production header then flows to a dedicated two-phase production separator. The production then flows to a three-phase heater treater.

Oil production then flows to individual oil meters for measurement: Federal 13 Com #8H – 300001037P, Federal 13 #9H – 300001034Pand Federal 13 Com #10H – 300001031P. After measurement oil from well #8H flows to its dedicated Heater treater and wells #9H and #10H flows directly to the VRT and to oil tanks for storage and additional measurement. Finally, sales flow through LACT meter # F13CTB.

The oil gravities are equivalent (see Exhibit B). The oil allocation meters will be calibrated on a regular basis per API, NMOCD and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

Gas Production: is not commingled. Custody transfer meter for each well: Federal 13 Com #8H: 300001037; Federal 13 #9H – 3000001034; and Federal 13 Com #10H: 300001031H.

Process & Flow Description:

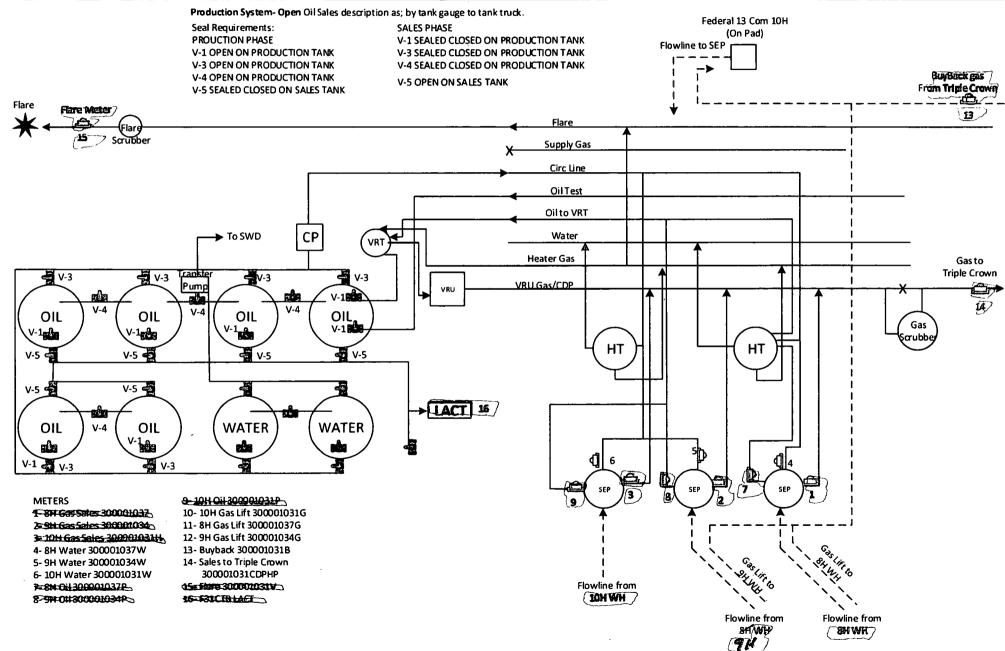
Please see attached process flow diagram for the Federal 13 central tank battery.

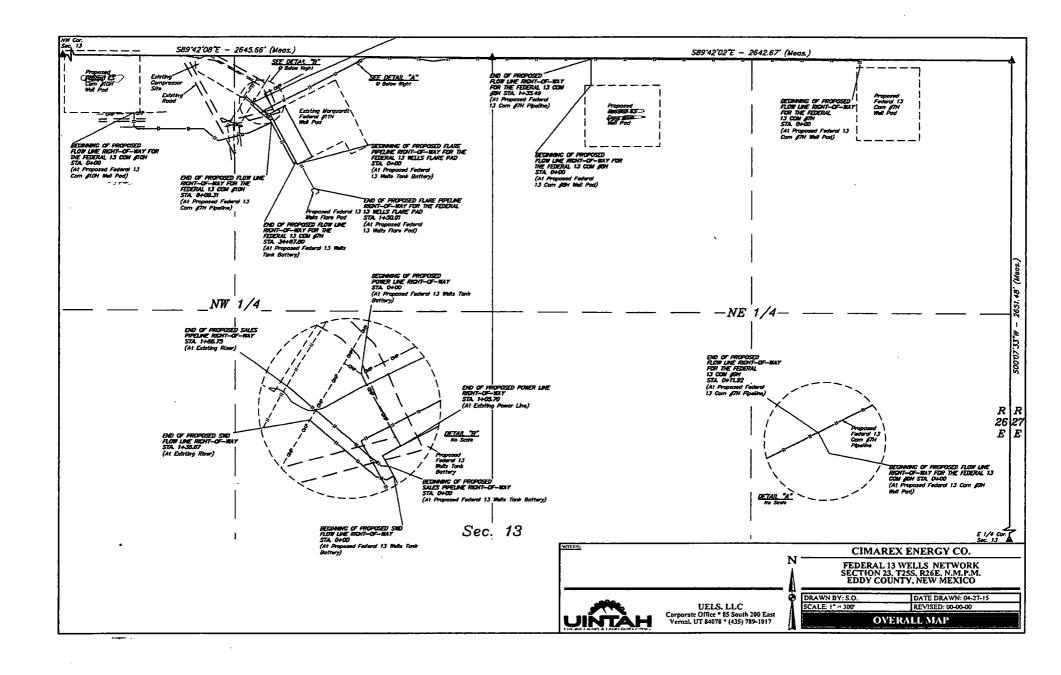
The commingling of the oil production is in the interest of conservation and waste. It will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of the gas production. The proposed commingling reduces the surface facility footprint and overall emissions.

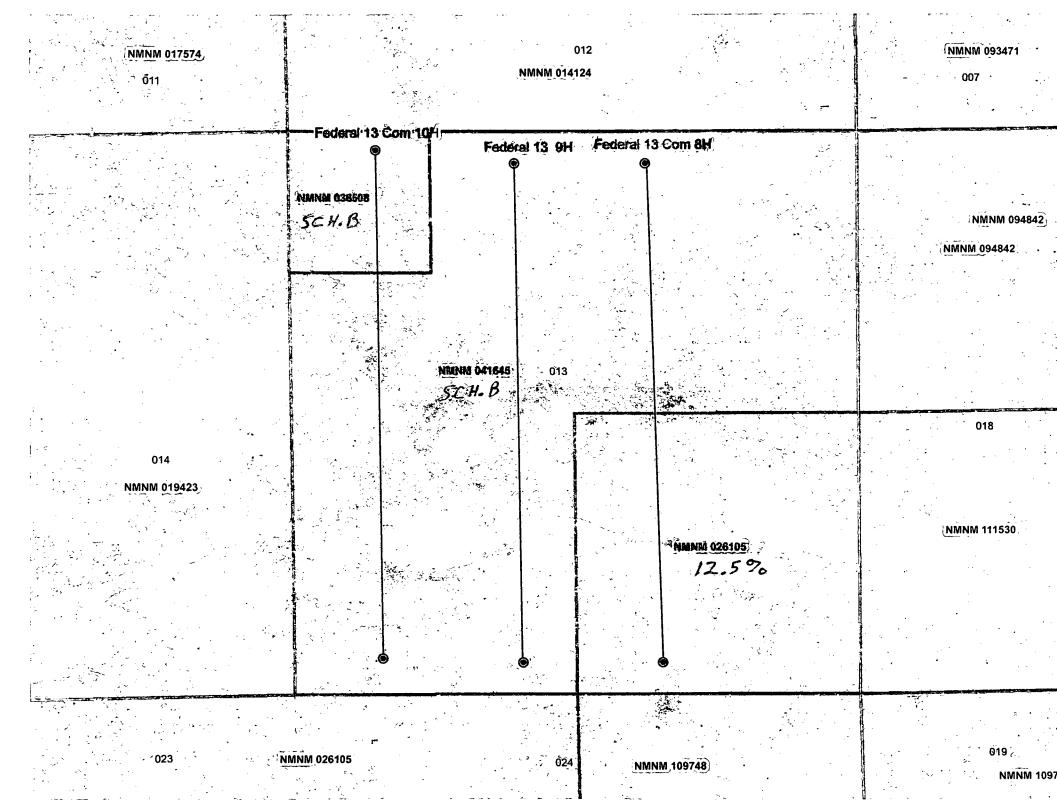
Cimarex understands the required approval will not constitute the granting of any right of way or construction rights not granted by the lease. These applications will be submitted separately for approval per NMOCD and BLM regulations.

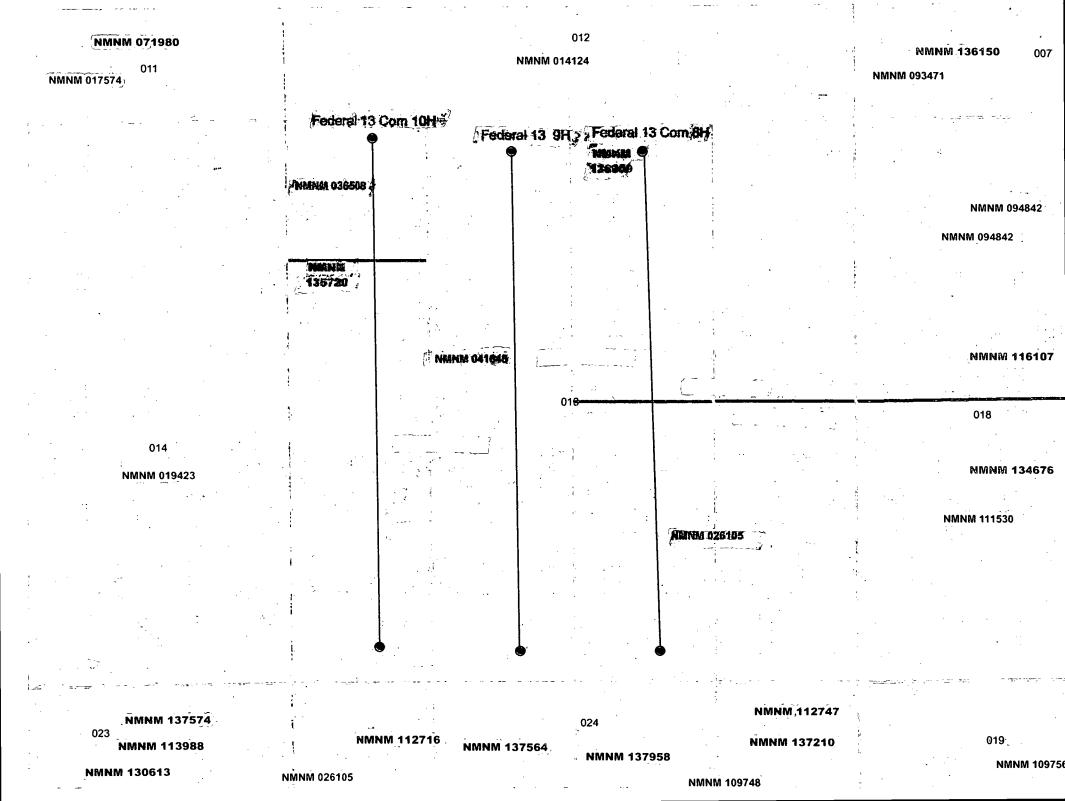


Federal 13 Com 10H 30-015-42665 Sec 13, 25S, 26E 180 FNL 660 FWL NMNM36508 Federal 13 Com 9H 30-015-42778 Sec 13, 25S, 26E 273 FNL 1920 FWL NMNM41645 Federal 13 Com 8H 30-015-42777 Sec 13, 25S, 26E 330 FNL 1980 FEL NMNM26105











Federal 13 Com #8H – 30015-42777 Federal 13 #9H – 30015-42778 Federal 13 Com #10H – 30015-42665 Application for Commingling at Central Tank Battery Owner Notification List

| Federa | l 13 Co | m #8H |
|--------|---------|-------|
| | | |

Owner Mail Receipt No.

Chevron USA Inc. 9414 8102 0088 1531 7273 77

P O Box 730436

Dallas Tx 75373-0436

Robert N. Enfield Trust 9414 8102 0083 0705 1066 78

Wells Fargo Bank – 14855100

Chuck Wallace P O Box 41779

Austin, Tx 78704

Bryan Bell Family LLC 9414 8102 0083 0705 1116 34

C/O Frank Robert Janusa, Managing Member

P O Box 24591

New Orleans, LA 70184-4591

Jerune Allen 9414 8102 0088 2531 8215 39

245 Nicklaus Drive SE Rio Rancho NM 87124

Mona L. Coffield 9414 8102 0088 3584 0069 28

Lisa M Enfield POA 465 Camino Manzano Santa FE NM 87505

Susan Whitaker 9414 8102 0083 0705 3528 39

P O Box 2978

Roswell, NM 88202

Sherry L Yates Chilton 9414 8102 0082 9531 7628 68

FKA Sherry Lynn Hamlett

3215 West Washita

Springfield MO 65087

DMA Inc. 9414 8102 0079 3534 0752 73

A L Peters President

P O Box 1496

Roswell NM 88202-1496

Federal 13 Com #8H, cont.

Owner Mail Receipt No.

Charmar LLC 9414 8102 0079 3534 0801 30

c/o Vikki H Smith Manager Member

4515 Visa Del Oso Ct NE Albuquerque, NM 87109

Richard C Deason 9414 8102 0079 3534 0848 93

1301 N Havenhurst 217 West Hollywood, CA 90046

Thomas D Deason 9414 8102 0082 9531 7836 72

1405 Knight Ave Wolfforth Tx 79382

SAP LLC 9414 8102 0083 0705 1588 68

4901 Whitney Lane
Roswell NM 88203

Ronald H Mayer 9414 8102 0082 8531 9303 14

Martha Mayer P O Box 2391 Roswell NM 88202

Dallas Tx 75373-0436

Federal 13 #9H

Chevron USA Inc. 9414 8102 0088 1531 7273 77 P O Box 730436

Federal 13 Com #10H

Chevron USA Inc. 9414 8102 0088 1531 7273 77 P O Box 730436 Dallas Tx 75373-0436

BUREAU OF LAND MANAGEMENT CASE RECORDATION (LIVE) SERIAL REGISTER PAGE

Run Date/Time: 06/22/18 09:21 AM

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01 02-25-1920;041STAT0437;30USC181ETSEQ

312011: O&G LSE COMP PUBLIC Case Type

Total Acres 40.000

Serial Number NWNW--036508

Commodity 459:

OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 036508

Int Rel

%Interest

Name & Address

PO BOX 1635

Case File Juris:

HOUSTON TX 772511635

LESSEE

100.000000000

CHEVRON USA PROD CO

Serial Number: NMNM-- - 036508

County

Mgmt Agency

Mer Twp Rng Sec

SType

Nr Suff Subdivision

District/Resource Area CARLSBAD FIELD OFFICE

EDDY

BUREAU OF LAND MGMT

23 0250S 0260E 013 **ALIQ** NWNW;

Serial Number: NMNM-- - 036508

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|---------|--------------------------|----------------------|----------------|
| 03/19/1979 | 387 | CASE ESTABLISHED | PARCEL #52 | |
| 03/19/1979 | 500 | GEOGRAPHIC NAME | UNDEFINED FLD; | |
| 03/20/1979 | 191 | SALE HELD | | |
| 03/20/1979 | 196 | BID ACCEPTED | | |
| 05/08/1979 | . 237 | LEASE ISSUED | | |
| 06/01/1979 | 496 | FUND CODE | 05;145003 | |
| 06/01/1979 | 532 | RETY HATE 12.5-254 SCH B | | |
| 06/01/1979 | 868 | EFFECTIVE DATE | | |
| 04/12/1982 | 111 | RENTAL RECEIVED | \$0;82-83 | |
| 08/30/1982 | 246 | LEASE COMMITTED TO CA | SCR-330 EFF 12/01/81 | |
| 09/30/1987 | 974 | AUTOMATED RECORD VERIF | MLO/CB | |
| 12/01/1988 | 963 | CASE MICROFILMED/SCANNED | CNUM 501,206 | |
| 01/20/1995 | 140 | ASGN FILED | YATES PETRO/CHEVRON | |
| 04/24/1995 | 139 | ASGN APPROVED | EFF 02/01/95; | • |
| 04/24/1995 | 974 | AUTOMATED RECORD VERIF | LBO | |
| 04/15/2015 | 246 | LEASE COMMITTED TO CA | NMNM135720; | |
| 10/28/2015 | 650 | HELD BY PROD - ACTUAL | /1/ | |
| 10/28/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/NMNM135720;#10H | |
| 03/31/2016 | 643 | PRODUCTION DETERMINATION | /1/ | |
| 11/21/2016 | 246 | LEASE COMMITTED TO CA | NMNM137592; | |
| 06/16/2017 | 658 | MEMO OF 1ST PROD-ACTUAL | /2/NMNM137592;#11H | |
| 03/06/2018 | 643 | PRODUCTION DETERMINATION | /2/ | |
| Line Nr | Remarks | | Serial Number: | : NMNM 036508 |

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT CASE RECORDATION**

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Run Date:

10/02/2017

(MASS) Serial Register Page

01 02-25-1920;041STAT0437;30USC181ETSEQ Case Type 312011: O&G LSE COMP PUBLIC

OIL & GAS

Total Acres 440.000

Serial Number NMNM-- 041645

Commodity 459: **Case Disposition: AUTHORIZED**

Serial Number: NMNM-- - 041645

| Name & Address | • | | Int Rel | % Interest |
|-------------------------------|--------------------------|----------------------|------------------|---------------|
| CHEVRON USA INC | 6301 DEAUVILLE | MIDLAND TX 797062964 | OPERATING RIGHTS | 0.000000000 |
| CHEVRON USA INC | 6301 DEAUVILLE | MIDLAND TX 797062964 | LESSEE | 100.000000000 |
| CIMAREX ENERGY CO OF COLORADO | 1700 LINCOLN ST STE 1800 | DENVER CO 802034518 | OPERATING RIGHTS | 0.000000000 |

Serial Number: NMNM-- - 041645

| Mer Twp Rng Sec | STyp | SNr Suff Subdivision | District/Field Office | County | Mgmt Agency |
|--------------------|------|----------------------|-----------------------|--------|---------------------|
| 23 0250S 0260E 013 | ALIQ | NE,E2NW,SWNW,SW; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 041645

| Act Date | Code | Action | Action Remark | Pending Office |
|------------|------|--------------------------|-----------------------|----------------|
| 07/22/1980 | 387 | CASE ESTABLISHED | PARCEL #5 | |
| 07/23/1980 | 196 | BID ACCEPTED | | |
| 10/03/1980 | 237 | LEASE ISSUED | | |
| 11/01/1980 | 496 | FUND CODE | 05;145003 | |
| 11/01/1980 | 532 | RLTY RATE 12.5-25% SCH B | | |
| 11/01/1980 | 868 | EFFECTIVE DATE | | |
| 12/01/1981 | 246 | LEASE COMMITTED TO CA | SCR-330 EFF 12/01/81 | |
| 01/29/1982 | 643 | PRODUCTION DETERMINATION | /1/ | · |
| 01/29/1982 | 643 | PRODUCTION DETERMINATION | /2/ | |
| 01/29/1982 | 650 | HELD BY PROD - ACTUAL | /1/ | |
| 01/29/1982 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/ | |
| 01/29/1982 | 660 | MEMO OF 1ST PROD-ALLOC | /2/SCR-330; | |
| 06/21/1982 | 102 | NOTICE SENT-PROD STATUS | /1/ | |
| 07/15/1986 | 817 | MERGER RECOGNIZED | CHEVRON USA/GULF OIL | |
| 07/15/1986 | 940 | NAME CHANGE RECOGNIZED | GULF OIL/CHEVRON USA | |
| 06/13/1988 | 974 | AUTOMATED RECORD VERIF | AMR/JA | |
| 07/10/1989 | 963 | CASE MICROFILMED/SCANNED | CNUM 102,716 | |
| 08/14/2006 | 940 | NAME CHANGE RECOGNIZED | GRUY/CIMAREX OF COLO | |
| 03/17/2009 | 932 | TRF OPER RGTS FILED | CHEVRON U/CIMAREX E;1 | |
| 05/01/2009 | 933 | TRF OPER RGTS APPROVED | EFF 04/01/09; | |
| 05/01/2009 | 974 | AUTOMATED RECORD VERIF | LR | |
| 12/20/2009 | 246 | LEASE COMMITTED TO CA | NMNM130302; | • |
| 04/01/2010 | 246 | LEASE COMMITTED TO CA | NMNM130432; | |
| 06/10/2010 | 932 | TRF OPER RGTS FILED | CIMAREX E/CHEVRON U;1 | |
| 07/26/2010 | 933 | TRF OPER RGTS APPROVED | EFF 07/01/10; | |
| 07/26/2010 | 974 | AUTOMATED RECORD VERIF | RAYO/RAYO | |
| 04/15/2015 | 246 | LEASE COMMITTED TO CA | NMNM135720; | |
| 10/28/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /3/NMNM135720;#10H | |
| 12/22/2015 | 246 | LEASE COMMITTED TO CA | NMNM136959; | |
| 03/31/2016 | 643 | PRODUCTION DETERMINATION | /3/ | |
| 06/04/2016 | 658 | MEMO OF 1ST PROD-ACTUAL | /4/NMNM136959;#8H | . • |
| 04/26/2017 | 643 | PRODUCTION DETERMINATION | /4/ | |

BUREAU OF LAND MANAGEMENT CASE RECORDATION (LIVE) SERIAL REGISTER PAGE

Run Date/Time: 06/22/18 09:23 AM

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01 02-25-1920;041STAT0437;30USC181ETSEQ

Case Type 311211: O&G LSE SIMO PUBLIC LAND

OIL & GAS

Case Disposition: AUTHORIZED

Commodity 459:

Name & Address

Total Acres 480.000

Serial Number - 026105

Case File Juris:

Serial Number: NMNM-- - 026105

Int Rel %Interest

CHEVRON USA INC 6301 DEAUVILLE MIDLAND TX 797062964 **OPERATING RIGHTS** 0.000000000CHEVRON USA PROD CO PO BOX 1635 HOUSTON TX 772511635 **OPERATING RIGHTS** 0.000000000 CHEVRON USA PROD CO PO BOX 1635 HOUSTON TX 772511635 LESSEE 25.000000000 EOG RESOURCES INC PO BOX 2267 MIDLAND TX 79702 LESSEE 75.000000000 **EOG RESOURCES INC** PO BOX 4362 HOUSTON TX 772104362 OPERATING RIGHTS 0.000000000

Serial Number: NMNM-- - 026105

| Mer Twp | Rng | Sec | SType | Nr Suff Subdivision | District/Resource Area | County | Mgmt Agency |
|---------|---------|-------|-------|---------------------|------------------------|--------|---------------------|
| 23 0250 | 5 02601 | E 013 | ALIQ | SE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 0250 | S 0260I | E 023 | ALIQ | NE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 0250 | 3 0260 | E 024 | ALIQ | NW; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 026105

| Act Date | Code | Action | Action Remarks | Pending Office |
|------------|------|--------------------------|-----------------------|----------------|
| 11/30/1973 | 387 | CASE ESTABLISHED | | |
| 12/01/1973 | 496 | FUND CODE | 05;145003 | |
| 12/01/1973 | 530 | RETY RATE - 12 1/2% | | |
| 12/01/1973 | 868 | EFFECTIVE DATE | | |
| 04/28/1975 | 209 | CASE CREATED BY SEGR | OUT OF NMNM19594; | |
| 03/11/1980 | 500 | GEOGRAPHIC NAME | UNDEFINED FLD; | |
| 03/11/1980 | 510 | KMA CLASSIFIED | | |
| 03/24/1980 | 315 | RENTAL RATE DET/ADJ | \$2.00; | |
| 12/01/1981 | 246 | LEASE COMMITTED TO CA | SCR-330 | |
| 06/13/1983 | 140 | ASGN FILED | EL PASO NAT GAS/EXPL | • |
| 02/27/1984 | 139 | ASGN APPROVED | EFF 07/01/83; | |
| 08/26/1985 | 940 | NAME CHANGE RECOGNIZED | EL PASO EXPL/MERIDIAN | |
| 05/17/1987 | 963 | CASE MICROFILMED/SCANNED | CNUM 560,908 RW | • |
| 08/30/1988 | 974 | AUTOMATED RECORD VERIF | MRS/CS | • |
| 07/13/1992 | 974 | AUTOMATED RECORD VERIF | BCO/JLV | |
| 07/18/1994 | 932 | TRF OPER RGTS FILED | EL PASO PROD/CHEVRON | |
| 07/18/1994 | 932 | TRF OPER RGTS FILED | MERIDIAN/CHEVRON | |
| 10/19/1994 | 933 | TRF OPER RGTS APPROVED | (1)EFF 08/01/94; | |
| 10/19/1994 | 933 | TRF OPER RGTS APPROVED | (2)EFF 08/01/94; | |
| 10/19/1994 | 974 | AUTOMATED RECORD VERIF | AR/MV | |
| 05/20/1996 | 817 | MERGER RECOGNIZED | EL PASO PROD/MERIDIAN | |
| 05/20/1996 | 817 | MERGER RECOGNIZED | MERIDIAN PRO/MERIDIAN | |
| 05/20/1996 | 817 | MERGER RECOGNIZED | SOUTHLAND/MERIDIAN | • |
| 05/20/1996 | 974 | AUTOMATED RECORD VERIF | BTM | |
| 09/18/1996 | 940 | NAME CHANGE RECOGNIZED | MERIDIAN/BURLINGTON | |
| 05/30/1997 | 140 | ASGN FILED | ENFIELD ETAL/CHEVRON | |
| 06/30/1997 | 139 | ASGN APPROVED | EFF 06/01/97; | • |
| 06/30/1997 | 974 | AUTOMATED RECORD VERIF | LR | |

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT CASE RECORDATION**

Run Time: 06:29 AM

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Run Date:

10/02/2017

(MASS) Serial Register Page

01 02-25-1920;041STAT0437;30USC181

Total Acres

Serial Number

Commodity 459:

Case Type 318310: O&G COMMUNITZATION AGRINT

OIL & GAS

160.000

NMNW--135720

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 135720

Name & Address

Int Rel

% Interest

BLM CARLSBAD FO

620 E GREENE ST

CARLSBAD NM 88220

OFFICE OF RECORD

0.000000000

CIMAREX ENERGY CO

202 S CHEYENNE AVE STE 1000

TULSA OK 741033010

OPERATOR

100.000000000

Serial Number: NMNM-- - 135720

Mer Twp Rng Sec 23 0250S 0260E 013

0005

SNr Suff Subdivision W2W2:

District/Field Office **CARLSBAD FIELD OFFICE** County EDDY

Mgmt Agency **BUREAU OF LAND MGMT**

Serial Number: NMNM-- - 135720

| Act Date | Code | Action | Action Remark | Pending Office | |
|------------|------|--------------------------|-----------------|----------------|--|
| 04/15/2015 | 387 | CASE ESTABLISHED | | | |
| 04/15/2015 | 516 | FORMATION | BONE SPRING | | |
| 04/15/2015 | 526 | ACRES-FED INT 100% | 160;100% | | |
| 04/15/2015 | 868 | EFFECTIVE DATE | 30-015-42665 | | |
| 10/28/2015 | 654 | AGRMT PRODUCING | /1/ | | |
| 10/28/2015 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/30-015-42665 | | |
| 03/31/2016 | 334 | AGRMT APPROVED | | | |
| 03/31/2016 | 643 | PRODUCTION DETERMINATION | /1/ | | |

Serial Number: NMNM-- - 135720 Line Nr Remarks 0001 RECAPITULATION EFFECTIVE 04/15/2015

160.00

0002 TRACT # LEASE SERIAL # AC COMMITTED MON141645 0003 120.00 Minister 1 0004 2 40.00

TOTAL

PCT INT BAR. SCHB 12.590 702590 1. R. SCHB 12.5% To 25%

100.00

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Run Time: 06:24 AM

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Run Date:

10/02/2017

(MASS) Serial Register Page

01 02-25-1920;041STAT0437;30USC181

Case Type 318310: O&G COMMUNITZATION AGRINT

Commodity 459: OIL & GĀŚ Case Disposition: AUTHORIZED

Total Acres 160.000

Serial Number NNNM - 136959

Serial Number: NMNM-- - 136959

Name & Address

Int Rel

% Interest

BLM CARLSBAD FO

620 E GREENE ST

CARLSBAD NM 88220

OFFICE OF RECORD

CIMAREX ENERGY CO

600 N MARIENFELD ST STE 600

MIDLAND TX 797014405

OPERATOR

0.000000000 100.000000000

STyp

SNr Suff Subdivision

District/Field Office

County

Mgmt Agency

Mer Twp Rng Sec 23 02505 0260E 013

ALIQ

W2E2;

CARLSBAD FIELD OFFICE

EDDY

BUREAU OF LAND MGMT

Serial Number: NMNM-- - 136959

Serial Number: NMNM-- - 136959

| | | Serial Number: Minima - 100000 | | | | |
|------------|------|-------------------------------------|-----------------|--------------------|--|--|
| Act Date | Code | Action | Action Remark | Pending Office | | |
| 12/22/2015 | 387 | CASE ESTABLISHED | | | | |
| 12/22/2015 | 516 | FORMATION | BONE SPRING | | | |
| 12/22/2015 | 526 | ACRES-FED INT 100% | 160;100% | | | |
| 12/22/2015 | 868 | EFFECTIVE DATE | /A/ | | | |
| 06/04/2016 | 654 | AGRMT PRODUCING | /1/ | | | |
| 06/04/2016 | 658 | MEMO OF 1ST PROD-ACTUAL | /1/30-015-42777 | | | |
| 04/26/2017 | 334 | AGRMT APPROVED | | | | |
| 04/26/2017 | 643 | PRODUCTION DETERMINATION | /1/ | | | |
| Line Nr | Rema | ırks | Serial Nu | ımber: NMNM 136959 | | |
| 0001 | /A/ | RECAPITULATION EFFECTIVE 12/22/2015 | | | | |
| 0002 | TR# | LEASE SERIAL NO AC COMMITTED | % INTEREST | | | |
| 0003 | 1 | Mah 80.00 | 50.00 R. R. SCH | 1B 12.590 To 25% | | |
| 0004 | 2 6 | 105 80.00 | 1.R. 12 | 590 | | |
| 0005 | ι | TOTAL 160.00 | 100.00 | | | |

Bureau of Land Management Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Federal 13 Com 8H 3001542777, Federal 13 9H 3001542778, Federal 13 Com 10H 3001542665

Cimarex Energy Company of Co June 28, 2018 Condition of Approval

Lease/CA Commingling, off Lease/CA storage, measurement, and sales of production

- 1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- 2. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 3. 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.
- 4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
- 5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
- Gas measurement for allocation must be measured as per Onshore Order #5 or 43 CFR 3175 and API requirements for sales meters, or as approved in this approval to commingle production.
- 7. Oil measurement for allocation must be measured as per Onshore Order #4 or 43 CFR 3174 and API requirements for oil measurement, or as approved in this approval to commingle production.
- 8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.

DC 33 = Flared gas - royalty due

DC 63 = Vented gas - royalty due

- 9. This agency shall be notified of any change in sales method or location of sales point.
- 10. Additional wells and/or leases/CAs require additional commingling approvals.
- 11. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
- 12. Coriolis meters (CMS) will be proven, as per API, BLM, and NMOCD specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then CMS meter proving frequency requirement will be as per applicable BLM regulations, notwithstanding further guidance from the local BLM authorized officer. The factor obtained will be used to allocate the production volumes.

13. This approval does not authorize any by passes around any allocation meter or metering separator, this is to include the use of headers to divert production other production equipment other than the approve measurement points.

Federal 13 Com 8H 3001542777, COM:NMNM135720 NMNM36508 & NM4164512.5-25% both are Schedule B 12.5-25% Federal 13 PH 3001542778, Lease:NMNM41645 Schedule B 12.5% COM:NMNM136959 NMNM26105 is 12.5% & NMNM41645 is Schedule B 12.5 - 25%

CA - NMNM135720 Allocation to leases are NMNM36508 - 25% & NM41645 - 75% CA - NMNM136959 Allocation to leases are NMNM26105 - 50% & NM41645 - 50%