

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

| | | |
|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM41645 |
| 2. Name of Operator CIMAREX ENERGY COMPANY OF CO Contact: TERRI STATHEM E-Mail: tstatthem@cimarex.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 202 S CHEYENNE AVE SUITE 1000 TULSA, OK 74103.4346 | 3b. Phone No. (include area code) Ph: 432-620-1936 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached | | 8. Well Name and No. Multiple--See Attached |
| | | 9. API Well No. Multiple--See Attached |
| | | 10. Field and Pool or Exploratory Area Multiple--See Attached |
| | | 11. County or Parish, State 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 checked="" type="checkbox"/> Other Surface Commingling |
| | <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 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. respectfully requests approval to surface commingle oil production at a central tank battery from the following wells:

~~Federal 13 Com #8H - 30015-42777~~
~~Federal 13 #9 - 30015-42778~~
~~Federal 13 Com #10H - 30015-42885~~

Please see attached information for your review and approval.

Facility Diagram & Flow information
Flow line plats
Owner Listing & Notification Information
Serial Register pages

GC 7-9-18
Accepted for record - NMOCD

RECEIVED

JUL 06 2018

DISTRICT II-ARTESIA O.C.D.

| | |
|--|-------------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #390446 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 11/06/2017 (18PP0175SE) | |
| Name (Printed/Typed) TERRI STATHEM | Title MANAGER REGULATORY COMPLIANCE |
| Signature (Electronic Submission) | Date 10/02/2017 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---------------------|---------------------|
| Approved By <u>J. D. W. Hittler</u> | Title <u>TL PET</u> | Date <u>6/28/18</u> |
| 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 <u>CFO</u> |

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|-----------------------|----------------------|-------------------------------|-------------------------------|--|
| NMNM41645 | NMNM41645 | FEDERAL 13 BH | 30-016-42778-00-81 | Sec 13 T25S R26E NENW 0273FNL 1920FWL 32.081134 N Lat, 104.145579 W Lon |
| NMNM135720 | NMNM26105 | FEDERAL 13 COM 6H | 30-016-42777-00-81 | Sec 13 T25S R26E NWNW 0330FNL 1980FEL 32.081071 N Lat, 104.143967 W Lon |
| NMNM135720 | NMNM41645 | FEDERAL 13 COM 10H | 30-016-42565-00-81 | 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 | Oil Grav |
|---------------------|--------------|--------------|-------------------------------------|----------|
| Federal 13 Com #10H | 13-T25S-R26E | 30-015-42665 | Cottonwood Draw;Bone Spring (97494) | 40.65 |

Federal Lease NMNM041645

| Well Name | Location | API # | Pool | Oil Grav |
|----------------|--------------|--------------|-------------------------------------|----------|
| Federal 13 #9H | 13-T25S-R26E | 30-015-42778 | Cottonwood Draw;Bone Spring (97494) | 40.65 |

Federal Lease COM NMNM136959

| Well Name | Location | API # | Pool | 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:NMMNM135720 NMNM36508 & NM41645 12.5-25% both are Schedule B 12.5-25%

Lease:NMMNM41645 Schedule B 12.5%

COM:NMMNM136959 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 – 300001034P and 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 – 300001034; 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.

CIMAREX

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

Production System- Open Oil Sales description as; by tank gauge to tank truck.

Seal Requirements:

PRODUCTION PHASE

V-1 OPEN ON PRODUCTION TANK

V-3 OPEN ON PRODUCTION TANK

V-4 OPEN ON PRODUCTION TANK

V-5 SEALED CLOSED ON SALES TANK

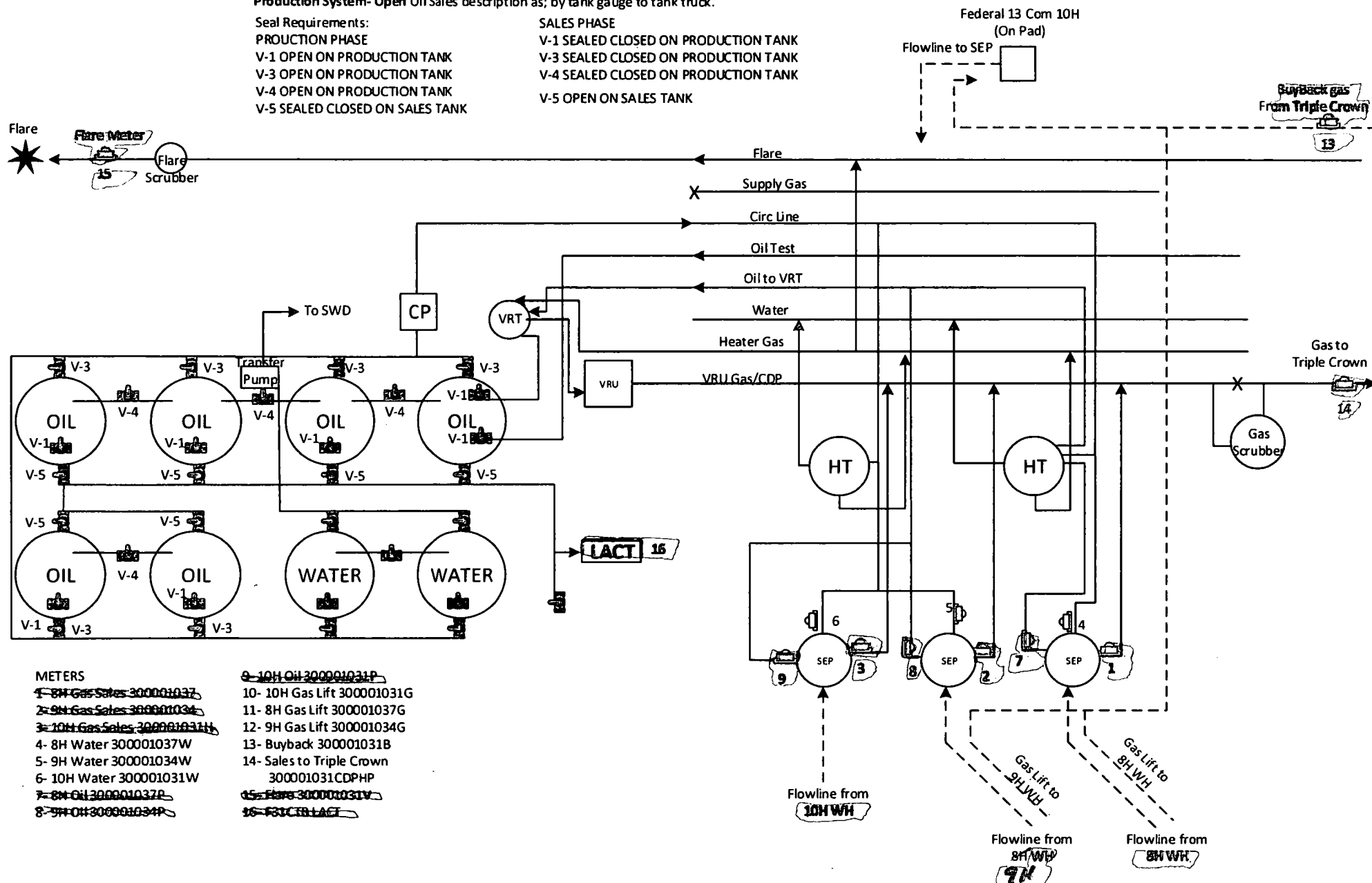
SALES PHASE

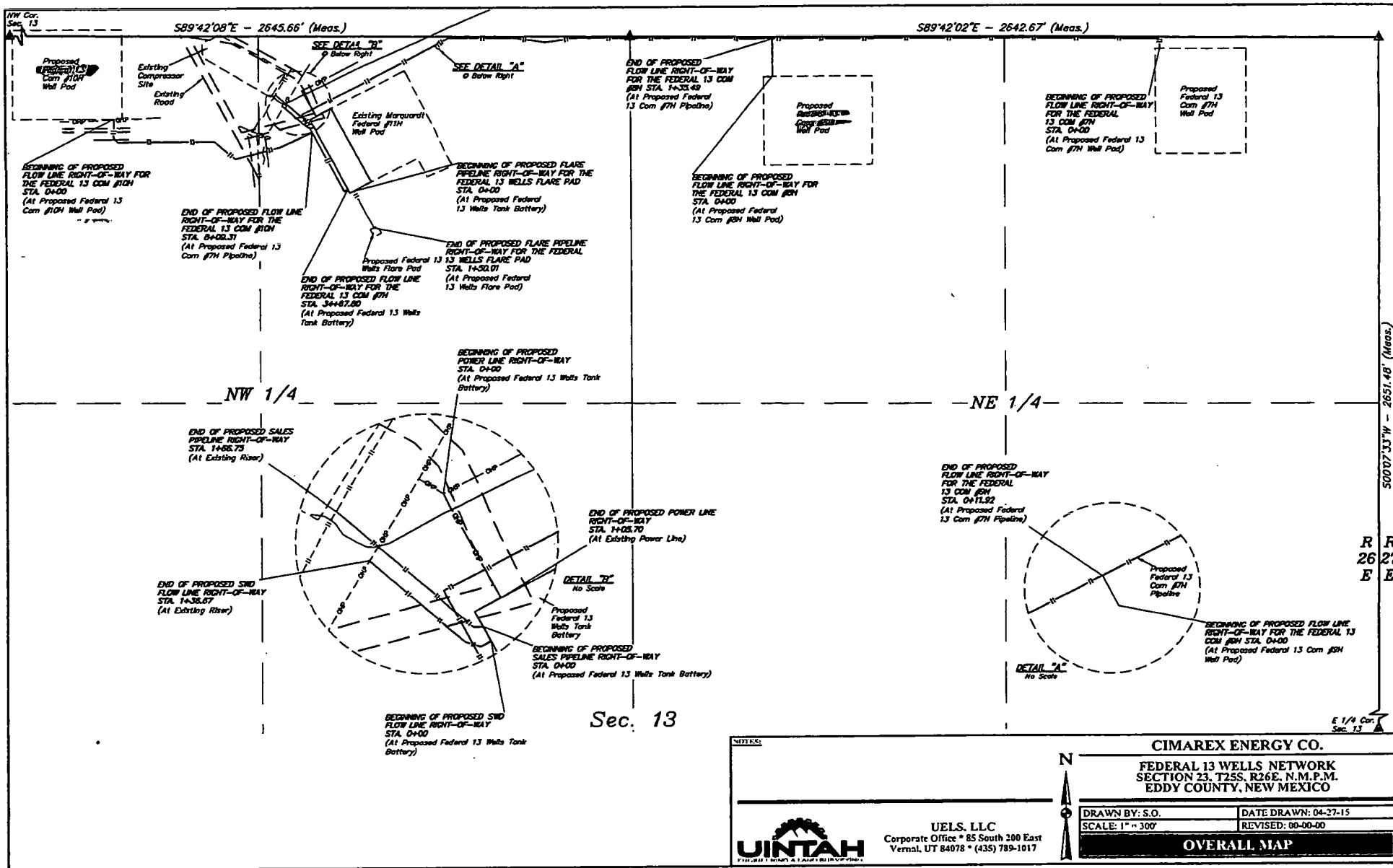
V-1 SEALED CLOSED ON PRODUCTION TANK

V-3 SEALED CLOSED ON PRODUCTION TANK

V-4 SEALED CLOSED ON PRODUCTION TANK

V-5 OPEN ON SALES TANK





NMNM 017574

011

012

NMNM 014124

NMNM 093471

007

Federal 13 Com 10H

Federal 13 9H

Federal 13 Com 8H

NMNM 038508

SCH.B

NMNM 094842

NMNM 094842

NMNM 041646

SCH.B

013

014

NMNM 019423

018

NMNM 111530

NMNM 026105

12.5%

023

NMNM 026105

024

NMNM 109748

019

NMNM 1097

NMNM 071980

012

NMNM 136150

007

NMNM 017574

011

NMNM 014124

NMNM 093471

Federal 13 Com 10H

Federal 13 9H

Federal 13 Com 8H

NMNM 036508

NMNM
136959

NMNM
135720

NMNM 094842

NMNM 094842

NMNM 041615

NMNM 116107

016

018

014

NMNM 019423

NMNM 134676

NMNM 111530

NMNM 026105

NMNM 137574

023

NMNM 113988

NMNM 112716

024

NMNM 137564

NMNM 137958

NMNM 112747

NMNM 137210

019

NMNM 130613

NMNM 026105

NMNM 109748

NMNM 109756



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

Federal 13 Com #8H

| <u>Owner</u> | <u>Mail Receipt No.</u> |
|--|--------------------------------|
| Chevron USA Inc. P O Box 730436 Dallas Tx 75373-0436 | 9414 8102 0088 1531 7273 77 |
| Robert N. Enfield Trust Wells Fargo Bank – 14855100 Chuck Wallace P O Box 41779 Austin, Tx 78704 | 9414 8102 0083 0705 1066 78 |
| Bryan Bell Family LLC C/O Frank Robert Janusa, Managing Member P O Box 24591 New Orleans, LA 70184-4591 | 9414 8102 0083 0705 1116 34 |
| Jerune Allen 245 Nicklaus Drive SE Rio Rancho NM 87124 | 9414 8102 0088 2531 8215 39 |
| Mona L. Coffield Lisa M Enfield POA 465 Camino Manzano Santa FE NM 87505 | 9414 8102 0088 3584 0069 28 |
| Susan Whitaker P O Box 2978 Roswell, NM 88202 | 9414 8102 0083 0705 3528 39 |
| Sherry L Yates Chilton FKA Sherry Lynn Hamlett 3215 West Washita Springfield MO 65087 | 9414 8102 0082 9531 7628 68 |
| DMA Inc. A L Peters President P O Box 1496 Roswell NM 88202-1496 | 9414 8102 0079 3534 0752 73 |

Federal 13 Com #8H, cont.**Owner****Mail Receipt No.**

Charmar LLC
c/o Vikki H Smith Manager Member
4515 Visa Del Oso Ct NE
Albuquerque, NM 87109

9414 8102 0079 3534 0801 30

Richard C Deason
1301 N Havenhurst 217
West Hollywood, CA 90046

9414 8102 0079 3534 0848 93

Thomas D Deason
1405 Knight Ave
Wolfforth Tx 79382

9414 8102 0082 9531 7836 72

SAP LLC
4901 Whitney Lane
Roswell NM 88203

9414 8102 0083 0705 1588 68

Ronald H Mayer
Martha Mayer
P O Box 2391
Roswell NM 88202

9414 8102 0082 8531 9303 14

Federal 13 #9H

Chevron USA Inc.
P O Box 730436
Dallas Tx 75373-0436

9414 8102 0088 1531 7273 77

Federal 13 Com #10H

Chevron USA Inc.
P O Box 730436
Dallas Tx 75373-0436

9414 8102 0088 1531 7273 77

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

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

Page 1 of 1

01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 312011: O&G LSE COMP PUBLIC
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED Case File Juris:

Total Acres
40.000

Serial Number
NMNM-- - 036508

Serial Number: NMNM-- - 036508

| Name & Address | Int Rel | %Interest |
|--|---------|---------------|
| CHEVRON USA PROD CO PO BOX 1635 HOUSTON TX 772511635 | LESSEE | 100.000000000 |

Serial Number: NMNM-- - 036508

| Mer Twp | Rng | Sec | SType | Nr Suff | Subdivision | District/Resource Area | County | Mgmt Agency |
|---------|-------|-------|-------|---------|-------------|------------------------|--------|---------------------|
| 23 | 0250S | 0260E | 013 | ALIQ | NWNW; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

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 | RNTY RATE 12.5-25% 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
(MASS) Serial Register Page**

Run Time: 06:29 AM

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Run Date: 10/02/2017

01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 312011: O&G LSE COMP PUBLIC
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres 440.000
Serial Number NMNM-- 041645

| | | | 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
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED Case File Juris:

Total Acres
480.000

Serial Number
~~NMNM--~~ **026105**

Serial Number: NMNM-- - 026105

| Name & Address | Int Rel | %Interest |
|---------------------------------|----------------------|------------------------------|
| CHEVRON USA INC 6301 DEAUVILLE | MIDLAND TX 797062964 | OPERATING RIGHTS 0.000000000 |
| CHEVRON 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 | 0250S | 0260E | 013 | ALIQ | SE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0250S | 0260E | 023 | ALIQ | NE; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |
| 23 | 0250S | 0260E | 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 | RENTY 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
(MASS) Serial Register Page**

Run Time: 06:29 AM

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Run Date: 10/02/2017

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

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- 135720

Commodity 459: OIL & GAS

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 | STyp | SNr Suff | Subdivision | District/Field Office | County | Mgmt Agency |
|---------|-------|-------|------|----------|-------------|-----------------------|--------|---------------------|
| 23 | 0250S | 0260E | 013 | ALIQ | W2W2; | CARLSBAD FIELD OFFICE | EDDY | 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 |
| 0002 | TRACT # LEASE SERIAL # AC COMMITTED PCT INT |
| 0003 | 1 NMNM 16548 120.00 12.5% R.R. SCHB 12.5% To 25% |
| 0004 | 2 NMNM 16548 40.00 12.5% R.R. SCHB 12.5% To 25% |
| 0005 | TOTAL 160.00 100.00 |

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 06:24 AM

Page 1 of 1

Run Date: 10/02/2017

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

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- - 136959

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 136959

| Name & Address | | | Int Rel | % Interest |
|-------------------|-----------------------------|----------------------|------------------|---------------|
| BLM CARLSBAD FO | 620 E GREENE ST | CARLSBAD NM 88220 | OFFICE OF RECORD | 0.000000000 |
| CIMAREX ENERGY CO | 600 N MARIENFELD ST STE 600 | MIDLAND TX 797014405 | OPERATOR | 100.000000000 |

Serial Number: NMNM-- - 136959

| Mer Twp Rng Sec | STyp | SNr Suff | Subdivision | District/Field Office | County | Mgmt Agency |
|--------------------|------|----------|-------------|-----------------------|--------|---------------------|
| 23 0250S 0260E 013 | ALIQ | | W2E2; | CARLSBAD FIELD OFFICE | EDDY | BUREAU OF LAND MGMT |

Serial Number: NMNM-- - 136959

| 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/ | |

Serial Number: NMNM-- - 136959

| Line Nr | Remarks | | | |
|---------|---|--------|--------|--------------------------|
| 0001 | /A/ RECAPITULATION EFFECTIVE 12/22/2015 | | | |
| 0002 | TR# LEASE SERIAL NO AC COMMITTED % INTEREST | | | |
| 0003 | 1 1000 41543 | 80.00 | 50.00 | A.R. SCHB 12.590 to 2590 |
| 0004 | 2 1000 28108 | 80.00 | 50.00 | A.R. 12.590 |
| 0005 | 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.
6. 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 & NM41645 12.5-25% both are Schedule B 12.5-25%
Federal 13 9H 3001542778, Lease:NMNM41645 Schedule B 12.5%
Federal 13 Com 10H 3001542665 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%