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Form 3160-3 (June 2015)		NM OIL CON ARTESIA I	SERVA	TION FORM OMB N Expires:	APPROV No. 1004-0 January 31,	ED 137 .2018
UNITED STATES DEPARTMENT OF THE I BUREALLOE LAND MAN	S INTERI IAGEM	FEB 0	5. Lease Serial No NMNM100332			
APPLICATION FOR PERMIT TO D	DRILL	OR REENTER	IVED	6. If Indian, Allote	e or Tribe I	Name
Ia. Type of work: Image: DRILL R Ib. Type of Well: Oil Well Gas Well O Ic. Type of Completion: Hydraulic Fracturing S	REENTEI Other Single Zoo	R ne 🔲 Multiple Zone	<u> </u>	7. If Unit or CA Ag 8. Lease Name and DAVINCI 7-18 FE 32H 3217	greement. M Well No. DERAL (79/	Name and No.
2. Name of Operator CIMAREX ENERGY COMPANY		215099	~	9: API Well No.	15 45	101
3a. Address 600 N. Marienfeld St., Suite 600 Midland OK 79701	3b. Ph (432)6	one No. (include area cod 620-1936	te)	10. Field and Pool	, or Explor NOLFCAN	atory MP / PURPLE
 Location of Well (Report location clearly and in accordance At surface NWNE / 330 FNL / 1490 FEL / LAT 32.1509 At proposed prod. zone SWSE / 330 FSL / 1854 FEL / L 	.1. with any 942 / LC _AT 32.1	State requirements.*) DNG -104.225772 23608 / LONG -104.22	6892	11. Sec., T. R. M. SEC 7 / T255 / R	or Blk. and 27E / NMI	Survey or Area
14. Distance in miles and direction from nearest town or post off 18 miles	fice*		<u>* ;</u>	12. County or Pari EDDY	sh	13. State NM
15. Distance from proposed* 330 feet location to nearest property or lease line, ft. (Also to pearest drig, unit line, if any)	16. No 478.4	o of acres in lease	17. Spaci 640	ng.Unit dedicated to	this well	
 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 20 feet 	19. Pro 8838.4	oposed Depth feet / 18318 feet	20, BLM	/BIA Bond No. in fil //B001188	e	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3308 feet	22.(Ap 08/01/	proximate date work wil 2018	start*	23. Estimated dura 30 days	ition	
	24.	Attachments				
The following, completed in accordance with the requirements o (as applicable)	of Onshoi	re Oil and Gas Order No.	l, and the l	Hydraulic Fracturing	rule per 43	3 CFR 3162.3-3
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office 	em Lands e):	4. Bond to cover t Item 20 above) s, the 5. Operator certifi 6. Such other site s BLM.	he operation cation. specific info	ns unless covered by rmation and/or plans a	an existing as may be re	bond on file (see
25. Signature (Electronic Submission)	ļ	Name <i>(Printed/Typed)</i> Aricka Easterling / Ph: (918)560-7	060	Date 03/28/2	018
Title (())						
Approved by (Signature) (Electronic Submission)	T	Name <i>(Printed/Typed)</i> Ty Allen / Ph: (575)234	-5978		Date 12/21/2	:018
Title Wildlife Biologist	0	Office CARLSBAD				
Application approval does not warrant or certify that the applicat applicant to conduct operations thereon. Conditions of approval, if any, are attached.	int holds	legal or equitable title to	those rights	in the subject lease	which wou	ld entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, r of the United States any false, fictitious or fraudulent statements	make it a s or repre	crime for any person kno sentations as to any matte	wingly and r within its	l willfully to make to jurisdiction.	any depar	tment or agency
		WITH CONDI	TONS			

*(Instructions on page 2)

Rup 2-12-19,

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.



The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U(\$.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

SHL: NWNE / 330 FNL / 1490 FEL / TWSP: 25S / RANGE: 27E / SECTION: 7 / LAT: 32.150942 / LONG: -104.225772 (TVD: 0 feet)MD: 0 feet)
 PPP: SWSE / 2640 FNL / 1854 FEL / TWSP: 25S / RANGE: 27E / SECTION: 7 / LAT: 32.143447 / LONG: -104.2269306((TVD: 8806 feet, MD: 11100 feet))
 PPP: NWNE / 1025 FNL / 1854 FEL / TWSP: 25S / RANGE: 27E / SECTION: 7 / LAT: 32.149033 / LONG: -104.2269389 (TVD: 8778) feet, MD: 9067 feet)
 BHL: SWSE / 330 FSL / 1854 FEL / TWSP: 25S / RANGE: 27E / SECTION: 18 / LAT: 32.123608 / LONG: 6104.226892 (TVD: 8838 feet, MD: 18318 feet)

BLM Point of Contact

Name: Priscilla Perez Title: Legal Instruments Examiner Phone: 5752345934 Email: pperez@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Cimarex Energy Co.
LEASE NO.:	NMNM-100332
WELL NAME & NO.:	Davinci 7-18 Federal 32H
SURFACE HOLE FOOTAGE:	0330' FNL & 1490' FEL
BOTTOM HOLE FOOTAGE	0330' FSL & 1854' FEL Sec. 18, T. 25 S., R 27 E.
LOCATION:	Section 07, T. 25 S., R 27 E., NMPM
COUNTY:	County, New Mexico

Communitization Agreement

The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

□ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

1. Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the

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Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

- Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
- 4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

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Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

High Cave/Karst Possibility of water flows in the Salado and Castile. Possibility of lost circulation in the Red Bed, Rustler, and Delaware.

A MINIMUM OF TWO CASING STRINGS CEMENTED TO SURFACE IS REQUIRED IN HIGH CAVE/KARST AREAS. THE CEMENT MUST BE IN A SOLID SHEATH. THEREFORE, ONE INCH OPERATIONS ARE NOT SUFFICIENT TO PROTECT CAVE KARST RESOURCES. A CASING DESIGN THAT HAS A ONE INCH JOB PERFORMED DOES NOT COUNT AS A SOLID SHEATH. IF THE PRIMARY CEMENT JOB ON THE SURFACE CASING DOES NOT CIRCULATE, THEN THE NEXT TWO CASING STRINGS MUST BE CEMENTED TO SURFACE.

- 1. The 13-3/8 inch surface casing shall be set at approximately 450 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt. Excess calculates to 14% Additional cement may be required.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - ☐ Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required through the curve and a minimum of one every other joint.

- 3. The minimum required fill of cement behind the 7 inch production casing is:
 - □ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. Excess calculates to 22% Additional cement may be required.

Formation below the 7" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office.

- 4. The minimum required fill of cement behind the **4-1/2** inch production Liner is:
 - Cement as proposed by operator. Operator shall provide method of verification. Excess calculates to 10% Additional cement may be required.
- 5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. **PRESSURE CONTROL**

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.

- 2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be psi.
 - a. For surface casing only: If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
- Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8 intermediate casing shoe shall be psi.
 5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

Multibowl Option:

Operator has proposed a multi-bowl wellhead assembly. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. Operator shall perform the 9-5/8" and 7" casing integrity tests to 70% of the casing burst. This will test the multi-bowl seals.
- e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

- 5. The appropriate BLM office shall be notified a minimum of hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - a. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
 - b. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - c. The results of the test shall be reported to the appropriate BLM office.
 - d. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
 - f. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

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E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

F. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion 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.

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Cimarex Energy Company
LEASE NO.:	NMNM100332
WELL NAME & NO.:	32H:Davnci 7 18 FED COM
SURFACE HOLE FOOTAGE:	330'/N & 1490'/E
BOTTOM HOLE FOOTAGE	330'/S & 1854'/E
LOCATION:	T-25S, R-27E, S7. NMPM
COUNTY:	EDDY, NM

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

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General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
🔀 Special Requirements
Cave/Karst
Buried Pipeline Stipulation
Watershed/Water Quality
Tank Battery
Range
Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
🛛 Production (Post Drilling)
Well Structures & Facilities
Pipelines
Electric Lines
Interim Reclamation
Final Abandonment & Reclamation

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I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

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V. SPECIAL REQUIREMENT(S)

Buried Flowline Construction Stipulation:

Construction of the four buried flowlines between the Davinci 7 Federal Com well pad and central tank battery to the south will not occur until the four pipelines exiting the southwest corner of the pad have been rerouted to avoid the bedrock outcrop located just off the southwest corner of the pad. The reroute will be submitted in the form of a Sundry Notice and will have the pipelines exiting the pad further to the east avoiding the bedrock outcrop.

Watershed/Water Quality:

The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion.

Tank Battery:

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ¹/₂ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

Cave Karst

Cave and Karst Conditions of Approval for APDs

****** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production.

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Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Pad Berming:

The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.

- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g. caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)

Tank Battery Liners and Berms:

Tank battery locations and all facilities will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ¹/₂ times the content of the largest tank.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

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The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cavebearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in high cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

Range

Cattleguards

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s). Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations. A gate shall be constructed on one side of the cattleguard and fastened securely to H-braces.

Fence Requirement

Where entry granted across a fence line, the fence must be braced and tied off on both sides of the passageway prior to cutting. Once the work is completed, the fence will be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

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Livestock Watering Requirement

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action.

Any damage to structures that provide water to livestock throughout the life of the well, caused by operations from the well site, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

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VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

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Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

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Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

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Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq.</u> (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to

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the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-ofway.

6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be $\underline{30}$ feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (Blading is defined as the complete removal of brush and ground vegetation.)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed <u>30</u> feet. The trench and bladed area are included in this area. (Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.)
- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6_{--} inches in depth. The topsoil will be

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segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

(X) seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4
() seed mixture 2/LPC	() Aplomado Falcon Mixture

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. <u>Escape Ramps</u> - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to

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review a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (*see* 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, *et seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;

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c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall be confined to the authorized rightof-way width of <u>20</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.

8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When

necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION

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LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such

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modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

VIII. INTERIM RECLAMATION

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During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Seed Mixture 1 for Loamy Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	<u>lb/acre</u>
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Aricka Easterlin	ıg	Signed on: 03/28/201					
Title: Regulatory Analy	st						
Street Address: 202 S	. Cheyenne Ave, Ste 1000						
City: Tulsa	State: OK	Zip : 74103					
Phone: (918)560-7060							
Email address: aeaste	rling@cimarex.com						
Field Repres	sentative						
Representative Nam	ne:						
Street Address:							
City:	State:	Zip:					
Phone:							
Email address:							



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Application Data Report 01/04/2019

APD ID: 10400023871

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Type: CONVENTIONAL GAS WELL

Submission	Date:	03/28/2018
------------	-------	------------

Zip: 79701

Well Number: 32H Well Work Type: Drill



Show Final Text

Section 1 - General

APD ID:	10400023871	Tie to previous NOS?	10400012602	Submission Date: 03/28/2018					
BLM Office:	CARLSBAD	User: Aricka Easterling	Title:	Regulatory Analyst					
Federal/Indian APD: FED		Is the first lease penetrated for production Federal or Indian? FED							
Lease numb	er: NMNM100332	Lease Acres: 478.44							
Surface access agreement in place?		Allotted?	Reservation :						
Agreement i	n place? NO	Federal or Indian agreement:							
Agreement r	number:								
Agreement r	name:								
Keep application	ation confidential? YES								
Permitting A	Agent? NO	APD Operator: CIMARE	EX ENERGY COMP	PANY					
Operator let	ter of designation:								

Operator Info

Operator Organization Name: CIMAREX ENERGY COMPANY

Operator Address: 600 N. Marienfeld St., Suite 600

Operator PO Box:

Operator City: Midland State: OK

Operator Phone: (432)620-1936

Operator Internet Address: tstathem@cimarex.com

Section 2 - Well Information

Well in Master Development Plan? NO	Mater Development Plan name:							
Well in Master SUPO? NO	Master SUPO name:							
Well in Master Drilling Plan? NO	Master Drilling Plan name:							
Well Name: DAVINCI 7-18 FEDERAL COM	Well Number: 32H Well API Number:							
Field/Pool or Exploratory? Field and Pool	Field Name: PURPLE SAGE WOLFCAMP	Pool Name: PURPLE SAGE WOLFCAMP GAS						
Is the proposed well in an area containing other mineral resources? USEABLE WATER, NATURAL GAS, OIL								

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Describe other minerals:					
Is the proposed well in a Helium production area? \ensuremath{N}	Use Existing Well Pad? NO	New surface disturbance?			
Type of Well Pad: MULTIPLE WELL	Multiple Well Pad Name:	Number: W2E2			
Well Class: HORIZONTAL	DAVINCI 7-18 FEDERAL COM Number of Legs:				
Well Work Type: Drill					
Well Type: CONVENTIONAL GAS WELL					
Describe Well Type:					
Well sub-Type: EXPLORATORY (WILDCAT)					
Describe sub-type:					
Distance to town: 18 Miles Distance to no	earest well: 20 FT Distan	ce to lease line: 330 FT			
Reservoir well spacing assigned acres Measurement	t: 640 Acres				
Well plat: Davinci_7_18_Fed_Com_32H_C102_201	80328085956.pdf				
Well work start Date: 08/01/2018	Duration: 30 DAYS				
Section 3 - Well Location Table					
Survey Type: RECTANGULAR					

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	QM	TVD
SHL	330	FNL	149	FEL	25S	27E	7	Aliquot	32.15094	-	EDD	NEW	NEW	F	NMNM	330	0	0
Leg			0					NWNE	2	104.2257	Y	MEXI	MEXI		100332	8		
#1										72		co	co					
кор	539	FNL	185	FEL	25S	27E	7	Aliquot	32.15036	-	EDD	NEW	NEW	F	NMNM	-	830	828
Leg			2					NWNE	9	104.2269	Y	MEXI	MEXI		100332	498	7	8
#1										42		со	со			0		
PPP	102	FNL	185	FEL	25S	27E	7	Aliquot	32.14903	-	EDD	NEW	NEW	F	NMNM	-	906	877
Leg	5		4					NWNE	3	104.2269	Y	MEXI	MEXI		100332	547	7	8
#1										389		co	со			0		
FMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

F ALL

Submission Date: 03/28/2018

Well Number: 32H

Well Work Type: Drill

APD ID: 10400023871

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Type: CONVENTIONAL GAS WELL

Section 1 - Geologic Formations

Formation			True Vertical	Measured			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1	RUSTLER	3308	0	0		USEABLE WATER	No
2	SALADO	2056.9	1252	1252		NONE	No
3	CASTILE	1438.9	1870	1870		NONE	No
4	BELL CANYON	1220.9	2088	2088		NATURAL GAS,OIL	No
5	CHERRY CANYON	233.9000000 000001	3075	3075		NATURAL GAS,OIL	No
6	BRUSHY CANYON	- 818.0999999 999999	4127	4127		NATURAL GAS,OIL	No
7	BONE SPRING	-2312.1	5621	5621		NATURAL GAS,OIL	No
8	BONE SPRING A ZONE	-2430.1	5739	5739		NATURAL GAS,OIL	No
9	BONE SPRING C ZONE	-2776.1	6085	6085		NATURAL GAS,OIL	No
10	BONE SPRING 1ST	-3267.1	6576	6576		NATURAL GAS,OIL	No
11	BONE SPRING 2ND	-3728.1	7037	7037		NATURAL GAS,OIL	No
12	BONE SPRING 3RD	-5080.1	8389	8389		NATURAL GAS,OIL	No
13	WOLFCAMP	-5404.1	8713	8713		NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Show Final Text

.

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Pressure Rating (PSI): 2M

Rating Depth: 450

Equipment: A BOP consisting of three rams, including one blind ram and two pipe rams and one annular preventer. An accumulator that meets the requirements in Onshore Order #2 for the pressure rating of the BOP stack. A rotating head may be installed as needed. A Kelly clock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

Requesting Variance? YES

Variance request: Co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Variance to include Hammer Union connections on lines downstream of the buffer tank only. Testing Procedure: A multi-bowl wellhead system will be utilized. After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi test. Annular will be tested to 50% of working pressure. The pressure test will be repeated at least every 30 days, as per Onshore Order No. 2. The multi-bowl wellhead will be installed by vendor's representative. A copy of the installation instructions has been sent to the BLM field office. The wellhead will be installed by a third-party welder while being monitored by the wellhead vendor representative. All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type. A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi. A solid steel body pack-off will be utilized after running and cementing the production casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi. The surface casing string will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater. The casing string utilizing steel body pack-off will be tested to 70% of casing burst. If well conditions dictate conventional slips will be set and BOPE will be tested to appropriate pressures based on permitted pressure requirements.

Choke Diagram Attachment:

Davinci_7_18_Fed_Com_32H_Choke_2M_20180328082837.pdf

BOP Diagram Attachment:

Davinci_7_18_Fed_Com_32H_BOP_2M_20180328082848.pdf

Pressure Rating (PSI): 5M

Rating Depth: 8307

Equipment: A BOP consisting of three rams, including one blind ram and two pipe rams and one annular preventer. An accumulator that meets the requirements in Onshore Order #2 for the pressure rating of the BOP stack. A rotating head may be installed as needed. A Kelly clock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

Requesting Variance? YES

Variance request: Co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Variance to include Hammer Union connections on lines downstream of the buffer tank only. Testing Procedure: A multi-bowl wellhead system will be utilized. After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi test. Annular will be tested to 50% of working pressure. The pressure test will be repeated at least every 30 days, as per Onshore Order No. 2. The multi-bowl wellhead will be installed by vendor's representative. A copy of the installation instructions has been sent to the BLM field office. The wellhead will be installed by a third-party welder while being monitored by the wellhead vendor representative. All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type. A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi. A solid steel body pack-off will be utilized after running and cementing the production casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi. The surface casing string will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater. The casing string utilizing steel body pack-off will be tested to 70% of casing burst. If well conditions dictate conventional slips will be set and BOPE will be tested to appropriate pressures based on permitted pressure requirements.

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Choke Diagram Attachment:

Davinci_7_18_Fed_Com_32H_Choke_5M_20180328083026.pdf

BOP Diagram Attachment:

Davinci_7_18_Fed_Com_32H_BOP_5M_20180328083040.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	NON API	N	0	450	0	450	0	450	450	OTH ER	48	STC	3.59	8.4	BUOY	14.9 1	BUOY	14.9 1
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	2068	0	2068	-5530	-7598	2068	J-55	36	LTC	1.84	3.21	BUOY	6.08	BUOY	6.08
3	PRODUCTI ON	8.75	7.0	NEW	API	N	0	8307	0	8307	0	8307	8307	L-80	26	LTC	1.39	1.86	BUOY	2.22	BUOY	2.22
4	PRODUCTI ON	8.75	7.0	NEW	API	N	8307	9301	8307	9301	8307	9301	994	N-80	26	витт	1.31	1.75	BUOY	43.7 5	BUOY	43.7 5
5	COMPLETI ON SYSTEM	6	4.5	NEW	API	N	8307	18318	8307	18318	8307	18318	10011	P- 110	11.6	BUTT	1.5	2.12	BUOY	59.5 8	BUOY	59.5 8

Casing Attachments

Casing ID: 1

String Type:SURFACE

Inspection Document:

Spec Document:

Davinci_7_18_Fed_Com_32H_Spec_Sheet_20180328083603.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Davinci_7_18_Fed_Com_32H_Casing_Assumptions_20180328083955.pdf

Well Number: 32H

Casing Attachments

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Davinci_7_18_Fed_Com_32H_Casing_Assumptions_20180328083950.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Davinci_7_18_Fed_Com_32H_Casing_Assumptions_20180328083938.pdf

Casing ID: 4 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Davinci_7_18_Fed_Com_32H_Casing_Assumptions_20180328083928.pdf

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Casing Attachments

Casing ID: 5

String Type: COMPLETION SYSTEM

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Davinci_7_18_Fed_Com_32H_Casing_Assumptions_20180328083907.pdf

Section	4 - Ce	emen	t								
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	450	91	1.72	13.5	156	50	Class C	Bentonite
SURFACE	Tail		0	450	195	1.34	14.8	260	25	Class C	LCM
INTERMEDIATE	Lead		0	2068	392	1.88	12.9	736	50	35:65 (poz:C)	Salt, Bentonite
INTERMEDIATE	Tail		0	2068	121	1.34	14.8	162	25	Class C	LCM
PRODUCTION	Lead		0	8307	332	3.64	10.3	1206	25	Tuned Light	LCM
PRODUCTION	Tail		0	8307	127	1.3	14.2	165	10	50:50 (poz:H)	Salt, Bentonite,Fluid Loss, Dispersant, SMS
PRODUCTION	Lead		8307	9301	332	3.64	10.3	1206	25	Tuned Light	LCM
PRODUCTION	Tail		8307	9301	127	1.3	14.2	165	10	50:50 (poz:H)	Salt, Bentonite,Fluid Loss, Dispersant, SMS
COMPLETION SYSTEM	Lead		8307	1831 8	656	1.3	14.2	852	10	50:50 (Poz:H)	Salt, Bentonite, Fluid Loss, Dispersant, SMS

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials will be kept on location at all times in order to combat lost circulation or unexpected kicks. In order to run DSTs, open hole logs, and casing, the viscosity and water loss may have to be adjusted in order to meet these needs. **Describe the mud monitoring system utilized:** PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (Ibs/cu ft)	Gel Strength (Ibs/100 sqft)	Н	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	450	SPUD MUD	8.3	8.8							
2068	9301	OTHER : FW/Cut Brine	8.5	9							
450	2068	SALT SATURATED	9.3	10.2							
9301	1831 8	OIL-BASED MUD	10.5	11							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

No DST Planned

List of open and cased hole logs run in the well:

CNL,DS,GR

Coring operation description for the well:

N/A

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5055

Anticipated Surface Pressure: 3110.64

Anticipated Bottom Hole Temperature(F): 160

Anticipated abnormal pressures, temperatures, or potential geologic hazards? YES

Describe:

Lost circulation may be encountered in the Delaware mountain group. Abnormal pressure as well as hole stability issues may be encountered in the Wolfcamp.

Contingency Plans geoharzards description:

Lost circulation material will be available, as well as additional drilling fluid along with the fluid volume in the drilling rig pit system. Drilling fluid can be mixed on location or mixed in vendor mud plant and trucked to location if needed. Sufficient barite will be available to maintain appropriate mud weight for the Wolfcamp interval. Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Davinci_7_18_Fed_Com_32H_H2S_Plan_20180328084416.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Davinci_7_18_Fed_Com_32H_Directional_Plan_20180328084430.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Davinci_7_18_Fed_Com_32H_AC_Report_20180328084448.pdf Davinci_7_18_Fed_Com_32H_Drilling_Plan_20180328084449.pdf Davinci_7_18_Fed_Com_32H_Gas_Capture_20180328084456.pdf Davinci_7_18_Fed_Com_32H_Flex_Hose_20180328084455.pdf

Other Variance attachment:









Print

EVRAZ

OCTG Performance Data

Davinci 7-18 Fed Com 32H Surface Casing Spec Sheet

Casing Performance

J		1	Alledebility ERV.	
Pipe Body Geom	ietry			
Outside Diameter: Wall Thickness: Nominal Weight: Plain End Weight:	13.375 in 0.330 in 48.00 lb/ft 46.02 lb/ft		Inside Diameter: Cross Section Area: Drift Diameter: Alternate Drift Diameter:	12.715 in 13.524 sq in 12.559 in -
Pipe Body Perfor	rmance			
Grade: Pipe Body Yield Si	H40 trength: 541000	bf	Collapse Strength (ERW Collapse Strength (SML	/): 740 psi S): -
SC Connection				
Connection Geo	metry			
Make Up Torque: Coupling Outside	Diameter:	Optimum 3220 lb·ft 14.375 in	Minimum 2420 lb∙ft	Maximum 4030 lb∙ft
Connection Perfe	ormance			
Grade: Joint Strength:	H40 322000 lbf	Minimum I	nternal Yield Pressure:	1730 psi
C Connection	metry			
Make Up Torque:		Optimum -	Minimum -	Maximum -
Coupling Outside	Diameter:	14.375 in		
Connection Perfe	ormance			
Grade: Joint Strength:	H40 -	Minimum li	nternal Yield Pressure:	-
C Connection				
Connection Geo	metry			
Make Up Torque:		Optimum -	Minimum -	Maximum -
Coupling Outside	Diameter:	14.375 in		
Connection Perfe	ormance			
Grade: Joint Strength:	H40 -	Minimum II	nternal Yield Pressure:	-
E Connection				

Connection Geometry

10/16/2017 www.evrazna.com/Products/OilCountryTubularGoods/tabid/101/OctgPerfDataPrint.aspx?Type=cas&Size=13.375 in&Wall=48.00 lb/ft&Grade=...

Make Up Tor Coupling Out	que: tside Diameter:	Optimum Minimum 14.375 in	Maximum -
Connection	Performance		
Grade:	H40	Minimum Internal Yield Pressure:	1730 psi

Grade: H40 Joint Strength: -

Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (Ib/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	450	13-3/8	48.00	H-40/J-55 Hybrid	ST&C	3.59	8.40	14.91
12 1/4	0	2068	9-5/8"	36.00	J-55	LT&C	1.84	3.21	6.08
8 3/4	0	8307	T	26.00	L-80	LT&C	1.39	1.86	2.22
8 3/4	8307	9301	7	26.00	N-80	BT&C	1.31	175	43.75
6	8307	18318	4-1/2"	11.60	P-110	BT&C	1.50	2.12	59.58
	•	1		BLM	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet

TVD was used on all calculations.

Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	450	13-3/8	48.00	H-40/J-55 Hybrid	ST&C	3.59	8.40	14.91
12 1/4	0	2068	9-5/8"	36.00	J-55	LT&C	184	3.21	6.08
8 3/4	0	8307	7	26.00	L-80	LT&C	1.39	1.86	2.22
8 3/4	8307	9301	7	26.00	N-80	BT&C	1.31	1.75	43.75
6	8307	18318	4-1/2"	11.60	P-110	BT&C	1.50	2.12	59.58
			•	BLM	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet

TVD was used on all calculations.

Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (Ib/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	450	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	3.59	8.40	14.91
12 1/4	0	2068	9-5/8	36.00	J-55	LT&C	1.84	3.21	6.08
8 3/4	0	8307	7	26.00	L-80	LT&C	1.39	1.86	2.22
8 3/4	8307	9301	7	26.00	N-80	BT&C	1.31	1.75	43.75
6	8307	18318	4-1/2"	11.60	P-110	BT&C	1.50	2.12	59.58
L		£	£	BLM	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet

TVD was used on all calculations.

Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	450	13-3/8	48.00	H-40/J-55 Hybrid	ST&C	3.59	8.40	14.91
12 1/4	0	2068	9-5/8"	36.00	J-55	LT&C	1.84	3.21	6.08
8 3/4	0	8307	7	26.00	L-80	LT&C	1.39	1.86	2.22
8 3/4	8307	9301	7	26.00	N-80	BT&C	1.31	1.75	43.75
6	8307	18318	4-1/2"	11.60	P-110	BT&C	150	2.12	59.58
				BLM	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet

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TVD was used on all calculations.

Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	o	450	13-3/8	48.00	H-40/J-55 Hybrid	ST&C	3.59	8.40	14.91
12 1/4	0	2068	9-5/8"	36.00	J-55	LT&C	1.84	3.21	6.08
8 3/4	0	8307	7	26.00	L-80	LT&C	1.39	1.86	2.22
8 3/4	8307	9301	T	26.00	N-80	BT&C	1.31	1.75	43.75
6	8307	18318	4-1/2"	1160	P-110	BT&C	1.50	2.12	59.58
L	-	L	4 — . — . — .	BLM	Minimum Sa	fety Factor	1.125	1	1.6 Dry 1.8 Wet

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TVD was used on all calculations.

Hydrogen Sulfide Drilling Operations Plan Davinci 7-18 Federal Com 32H Cimarex Energy Co. UL: B, Sec. 7, 25S, 27E Eddy Co., NM

- 1 All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazards
 - C. Principal and operation of H2S detectors, warning system and briefing areas.
 - D. Evacuation procedure, routes and first aid.
 - E. Proper use of safety equipment & life support systems
 - F. Essential personnel meeting Medical Evaluation criteria will receive additional training on the proper use of 30 minute pressure demand air packs.

H₂S Detection and Alarm Systems:

- A. H2S sensors/detectors to be located on the drilling rig floor, in the base of the sub structure/cellar area, on the mud pits in the shale shaker area. Additional H2S detectors may play placed as deemed necessary.
- В.

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An audio alarm system will be installed on the derrick floor and in the top doghouse.

3 Windsock and/or wind streamers:

- A. Windsock at mudpit area should be high enough to be visible.
 - Windsock on the rig floor and / or top doghouse should be high enough to be visible.
- 4 Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag indicates normal safe condition. Yellow flag indicates potential pressure and danger. Red flag indicates danger (H₂S present in dangerous concentration). Only H2S trained and certified personnel admitted to location.
- 5 Well control equipment:
 - A. See exhibit "E-1"
- 6 Communication:
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.
- 7 Drillstem Testing:

No DSTs r cores are planned at this time.

- 8 Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.
- 9 If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavengers if necessary.

H₂S Contingency Plan Davinci 7-18 Federal Com 32H Cimarex Energy Co. UL: B, Sec. 7, 25S, 27E Eddy Co., NM

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must:

- « Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- « Evacuate any public places encompassed by the 100 ppm ROE.
- « Be equipped with H₂S monitors and air packs in order to control the release.
- « Use the "buddy system" to ensure no injuries occur during the 432-620-1975
- « Take precautions to avoid personal injury during this operation.
- « Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- « Have received training in the:
 - Detection of H₂S, and
 - · Measures for protection against the gas,
 - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO_2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

Characteristics of H₂S and SO₂

Please see attached International Chemical Safety Cards.

Contacting Authorities

Cimarex Energy Co. of Colorado's personnel must liaise with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Cimarex Energy Co. of Colorado's response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

H₂S Contingency Plan Emergency Contacts Davinci 7-18 Federal Com 32H Cimarex Energy Co. UL: B, Sec. 7, 25S, 27E Eddy Co., NM

Company Office			
Cimarex Energy Co. of Colora	do	800-969-4789	
Co. Office and After-Hours M	enu		
Key Personnel			
Name	Title	Office	Mobile
Larry Seigrist	Drilling Manager	432-620-1934	580-243-8485
Charlie Pritchard	Drilling Superintendent	432-620-1975	432-238-7084
Roy Shirley	Construction Superintendent		432-634-2136
<u>Artesia</u>			
Ambulance		911	
State Police		575-746-2703	
City Police		575-746-2703	
Sheriff's Office		575-746-9888	
Fire Department		575-746-2701	
Local Emergency Planning	Committee	575-746-2122	
New Mexico Oil Conservat	ion Division	575-748-1283	
<u>Carlsbad</u>			
Ambulance		911	
State Police		575-885-3137	
City Police		575-885-2111	
Sheriff's Office		575-887-7551	
Fire Department		575-887-3798	
Local Emergency Planning	Committee	575-887-6544	
US Bureau of Land Manage	ement	575-887-6544	
Cauda Fa			
Santa Fe			
New Mexico Emergency Re	esponse Commission (Santa Fe)	505-476-9600	· · · · · · · · · · · · · · · ·
New Mexico Emergency Re	esponse Commission (Santa Fe) 24 Hrs	505-827-9126	
New Mexico State Emerge	ncy Operations Center	505-476-9635	
National			
National Emergency Respo	unse Center (Washington, D.C.)	800-424-8802	
Notional Emergency hespe	hise center (Washington, D.c.)		
Medical			
Flight for Life - 4000 24th S	it.; Lubbock, TX	806-743-9911	
Aerocare - R3, Box 49F; Lu	bbock, TX	806-747-8923	· · · · ·
Med Flight Air Amb - 2301	Yale Blvd S.E., #D3; Albuquerque, NM	505-842-4433	
SB Air Med Service - 2505	Clark Carr Loop S.E.; Albuquerque, NM	505-842-4949	
<u>Other</u>			
Boots & Coots IWC	· · · · · · · · · · · · · · · · · · ·	800-256-9688	or 281-931-8884
Cudd Pressure Control		432-699-0139	or 432-563-3356
Halliburton		575-746-2757	
namourton			

Schlumberger

Cimarex DaVinci 7-18 Federal Com #32H Rev0 RM 14Nov17 Proposal Geodetic Report (Non-Def Plan)

Minimum Curvature / Lubinski November 16, 2017 - 08:24 AM Report Date: Survey / OLS Computation: 179.853 * (Grid North) Vertical Section Azimuth: Cimarex Client: Field: NM Eddy County (NAD 83) Vertical Section Origin: 0.000 ft, 0.000 ft Cimarex DaVinci 7-18 Federal Com #32H / Cimarex DaVinci 7-18 RKB Structure / Slot: TVD Reference Datum: Federal Com #32H 3331,900 ft above MSL TVD Reference Elevation: Well Cimarex DaVinci 7-18 Federal Com #32H 3307.900 ft above MSL Seabed / Ground Elevation: **Origianl Borehole** Borehote UWI / API#: Unknown / Unknow Magnetic Declination: 7.428 * Cimarex DaVinci 7-18 Federal Com #32H Rev0 RM 14Nov17 Total Gravity Field Strength: 998.4347mgn (9.80665 Based) Survey Name: November 14, 2017 Survey Date: Gravity Model: GARM 100.369 * / 10154.173 ft / 6.325 / 1.149 47980.329 nT Tort / AHD / DDI / ERD Ratio: Total Magnetic Field Strength: NADB3 New Mexico State Plane, Eastern Zone, US Feet N 32" 9' 3.39215", W 104" 13' 32.77663" Magnetic Dip Angle: 59.869 * Coordinate Reference System: Location Lat / Long Declination Date: November 16, 2017 N 418684.790 RUS, E 574625.720 RUS Magnetic Declination Model: HDGM 2017 Location Grid N/E Y/X: CRS Grid Convergence Angle: 0.0572 * North Reference: Grid North Grid Convergence Used: Total Corr Mag North->Grid 0.0572 * 0.99991036 **Grid Scale Factor:** 7.3711 Version / Patch: 2.10.565.0 North: Local Coord Referenced To: Structure Reference Point MD Azim Grid TVD VSEC NS EW DLS Northing Easting 1 atitude Incl Comments (N/S * * ") (ft) (ft) (ft) (ft) (ft) (*/100ft) (RUS) (ftUS) (*) SHL [330' FEL, 0.00 0,00 0.00 0.00 0.00 N/A 418664 79 574625.72 N 32 9 3.39 W 104 13 32.78 0.00 0.00 1490' FEL] 574625.72 N 574625.72 N 418664.79 32 9 3.39 W 104 13 32.78 0.00 100.00 0.00 240.00 100.00 0.00 0.00 0.00 200.00 300.00 400.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 240.00 200.00 0.00 0.00 418664.79 32 9 3.39 W 104 13 32.78 32 32 32 0.00 300.00 0.00 418664.79 574625.72 N 574625.72 N 9 3.39 W 104 13 32.78 9 3.39 W 104 13 32.78 240.00 0.00 240.00 0.00 500.00 600.00 700.00 0.00 500.00 600.00 700.00 0.00 574625.72 N 9 3.39 W 104 13 32.78 240.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 418664 79 574625.72 N 574625.72 N 574625.72 N 574625.72 N 32 32 32 32 9 3.39 W 104 13 32.78 0.00 0.00 240.00 418664 79 418664.79 240.00 800.00 900.00 1000.00 0.00 240.00 240.00 240.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 800.00 0.00 0.00 418664.79 418664.79 418664.79 9 3.39 W 104 13 32.78 900.00 1000.00 574625.72 N 32 574625.72 574625.72 NN 32 32 32 1100.00 0.00 240.00 1100.00 0.00 0.00 0.00 1200.00 1252.00 0.00 9 3.39 W 104 13 32.78 240.00 1200.00 0.00 418664.79 574625.72 N 32 9 3.39 W 104 13 32.78 240.00 1252.00 0.00 418884.79 Salado 418664.79 1300.00 0.00 240.00 1400.00 1500.00 1600.00 0.00 240.00 1400 00 0.00 0.00 0.00 0.00 1500.00 1600.00 1700.00 0.00 0.00 0.00 0.00 32 32 32 32 32 3.39 W 104 13 32.78 0.00 240.00 418664 79 ā 418864.79 574625.72 N 574625.72 N 574625.72 N 574625.72 N 9 9 240.00 0.00 1700.00 240.00

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Longitude (E/W * 1 m)

CIMAREX

Commente	MD	Incl	Azim Grid	3	VSEC	NS	EN	DLS	Northing	Easting	Latitude	Longitude
	(11)	30	0	(ft)	(11)	(11)	(ft)	(*/100ft)	(RUS)	(RUS)	(N)S • • • 1	(EW)
	2300.00	4.00	240.00	2299.84	3.47	-3.49	-6:04	2.00	418681.30	574619 AB N	1 32 8 3.30 W	104 13 32 85
Hold Nudge	2365.58	5.31	240.00	2365.20	6,12	-6.15	-10.65	2.00	418658.64	574615.07 N	32 9 3.33 W	104 13 32.90
	2500.00	5.21	240.00	2399.47	12 22	-12 17	-13.41		418657.05	574612.31 N	1 32 8 3.32 W	104 13 32.93
	2600.00	5.31	240.00	2598.61	16.93	-17.00	-29,45	0.00	418647.79	574596.28 N	32 9 3.22 W	104 13 33.12
	2700.00	5.31	240.00	2698,18	21.53	-21.63	-37.46	0.00	418643.16	574588.26 N	132 93.18W	104 13 33.21
	2800.00	5.3	240.00	2/9/./5	26.14	-26.28	45.48	0.00	418638.53	574580.24 N	32 9 3.13 W	104 13 33.31
	3000.00	5.31	240.00	2006.00	35,36	-35.52	-61.51	0.00	418629.28	574564.21 N	32 9 3.04 W	104 13 33,49
Cherry Canyon	3078.44	5.31	240.00	3075.00	38.97	-39.15	-67.80	0.00	418025.65	574557.92 N	32 9 3.01 W	104 13 33.57
	3100.00	n 0 2	240.00	3096.47	39.97	-40, 14	-69.53	0.00	418624.65	574556.19 N	32 9 3.00 W	104 13 33.59
	3300.00	5.31	240.00	3295.61	49 18	-49.40	-85.57		418615 39	574540 16 N	22 9 280 W	104 13 33.00
	3400.00	5.31	240.00	3395.18	53.79	-54.03	-93.58	0.00	418610.76	574532.15 N	32 9 2.86 W	104 13 33.87
	3500.00	5.31	240.00	3484.75	58.40	-58,66	-101.60	0.00	418606.14	574524.13 N	32 9 2.81 W	104 13 33.96
	3600.00	5.31	240.00	3594.32	63.01	-63.29	-109.62	0.00	418601.51	574516.11 N	32 9 2.77 W	104 13 34.05
	3700.00	5.31	240.00	3693.89	67,61	-67.92	-117.63	0.00	418596.88	574508.10 N	32 9 2.72 W	104 13 34 15
	3900.00	531	240.00	3893.03	76.83	-77 17	-133 67		418587 62	574492 DR N	32 B 263 W	104 13 34.24
	4000.00	5.31	240.00	3992.60	81.44	-81.80	-141.68	0.00	418583.00	574484.05 N	32 9 2.58 W	104 13 34.43
•	4100.00	5.31	240.00	4092.17	86.05	-86.43	-149.70	0.00	418578.37	574476.03 N	32 9 2.54 W	104 13 34.52
erusny Canyon	4734.98	0.31	240.00	4127.00	87.00	-88.05	-152.51	0.00	4185/0.75	574473.23 N	32 9 2.52 W	104 13 34.55
	4300.00	5.31	240.00	4291.31	95.26	-95,69	-165,74	0.00	418569.11	574460.00 N	32 9 2.45 W	104 13 34 71
	4400.00	5.31	240.00	4390.88	99.87	-100.32	-173.75	0.00	418564.48	574451.98 N	13292.40W	104 13 34.80
	4500.00	5.31	240.00	4490.45	104,48	-104.94	-181.77	0.00	418559.85	574443.97 N	32 9 2.36 W	104 13 34.89
	4700.00	5.31	240.00	4689.60	113.69	-114.20	-197.80	0.00	418550.60	574427.93 N	1 32 9 2.51 W	104 13 34.99
	4800.00	5.31	240.00	4789.17	118.30	-118.83	-205.82	0.00	418545.97	574419.82 N	32 9 2.22 W	104 13 35.17
	4900.00	n 5.31	240.00	4888.74	122.91	-123,46	-213.84	0.00	418541.34	574411.00 N	32 9 2.17 W	104 13 35.27
	5100.00	5.31	240.00	5087,88	132.13	-132.72	-229.87	0.00	418532.09	574395.87 N	32 9 2.08 W	104 13 35 45
	5200.00	5.31	240.00	5187,45	136.73	-137.34	237.89	0.00	418527.48	574387.85 N	32 9 2.04 W	104 13 35.55
	5300.00	5.31	240.00	5287.02	141.34	-141.87	-245.91	0.00	418522.83	574379.84 N	1 32 9 1.99 W	104 13 35.64
Erusny Canyon Lower	5309.02	5.31	240.00	5296.00	141.78	-142.39	-246.63	0.00	418522.41	574378.11 N	32 8 1.99 W	104 13 35.65
	5400.00	5.31	240.00	5386.59	145.95	-146.60	-253.92	0.00	418518.20	574371.82 N	13291.94W	104 13 35.73
	5500.00	5.31	240.00	5486.16	150.58	-151.23	-261.94	0.00	418513.57	574363.80 N	32 9 1.90 W	104 13 35.83
Bone Spring	5635.42	5.31	240.00	5621.00	155.17	-157.86	-269,96 -272 80	0.00	418508.94	574355.79 N	32 9 1.85 W	104 13 35.92
	5700.00	5.31	240.00	5685.30	159.77	-160.49	-277.97	0.00	418504.32	574347.77 N	32 9 1.81 W	104 13 36.01
Bone Spring "A" Shale	5753.93	5.31	240.00	5739.00	182.26	-162.98	-262.30	0.00	418501.82	574343,45 N	32 9 1.78 W	104 13 38.08
	5800.00	5.31	240.00	5784.87	164.38	-165.12	-285.99	0.00	418499.69	574339.76 N	32 8 1.76 W	104 13 36.10
	5900.00	7 U U	240.00	5084.44	168.99	-169.75	-294.01	0.00	418495.06	574331.74 N	32 9 1.72 W	104 13 36.20
	6100.00	5.31	240.00	6083,58	178.21	-179.00	-310.04	0.00	418485.80	574315.71 N	32 9 1.62 W	104 13 36 38
Bone Spring "C" Shala	8101.42	5.31	240.00	6085.00	178.27	-179.07	-310.16	0.00	418485.74	574315.59 N	32 9 1.62 W	104 13 38.39
	6200.00	5.31	240.00	6183.15	182.81	-183.63	-318.06	0.00	418481.18	574307.69 N	32 9 1.58 W	104 13 36.48
	6300.00	5.31	240.00	6282.73	187.42	-188.26	-326.08	0.00	418476.55	574299.67 N	32 9 1.53 W	104 13 36.57
	6500.00	5.31	240.00	6481.87	196.64	-197.52	-342,11	0.00	4184/1.82 418467.29	574283,64 N	32 8 1.48 W	104 13 36.76
1st Bone Spring	8594.54	5.31	240.00	6576.00	200.99	-201.89	-349.69	0.00	418482.92	574276.08 N	32 8 1.40 W	104 13 36.85
ę	6600.00	5.31	240.00	6581,44	201.25	-202.15	-350,13	0.00	418462.66	574275.63 N	32 9 1.40 W	104 13 36.85
Drop to Vertical	6618.64	5.31	240.00	6600.00	202.11	-203.01	-351.62	0.00	418461.80	574274.13 N	32 9 1.39 W	104 13 36.87
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	Landing Point	Build 477100 DLS Wolfcamp Y Sandstone	Wolfcamp A Wolfcamp X Sandstone Build 4*/1001	Build 12*/100' DLS <i>3rd Bone</i> <i>Spring Ss</i>		Hold 2nd Bone Spring Ss	Commente
9500 00 9600 00 9700 00 9800 00 10200 00 10200 00 10500 00 10000000000	9200.00 9300.00 9400.00	8932.03 9060.00 9067.30	8600.00 8600.00 8700.00 8807.00 8837.08 8874.48 8900.00	7900.00 7900.00 8100.00 8200.00 8200.00 8300.00 8400.00 8400.70	7200 7200 7300 7500 7500 7500 7700 7700 7700	(ft) 6700.00 6800.00 6884.22 7000.00 7000.00 7056.02	MD
89.75 89.75 89.75 89.75 89.75 89.75 89.75 89.75 89.75	85.72 88.72 89.75	75.00 77.72 80.41	23.16 35.16 59.16 62.89 71.16	0.00 0.00 0.00 0.00 0.00 11.16 12.21		0.00 0.00 0.00	Incl
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8798.86 8799.73 8799.73 8800.21 8800.21 8801.10 8801.15 8801.95 8801.95 8801.95 8802.43 8802.43 8803.32 8803.37 8803.37 8803.37 8804.65 8804.55	8794.02 8798.00 8798.00 8798.44	8749.21 8765.23 8778.00	8475.77 8638.09 8697.95 8713.00 8731.00 8739.88	7980,98 7980,98 8080,98 8180,98 8180,98 8280,98 8280,98 8288,01 8288,01 8389,00	7180.98 7180.98 7280.98 7380.98 7480.98 7580.98 7680.98	(ft) 6681.10 6865.20 6880.98 6980.98 6980.98 7037.00	3
1125.81 1225.81 1325.81 1325.81 1325.81 1525.81 1625.81 1625.81 1625.80 2625.80 2425.80 2425.80 2425.80 2425.80 2425.80 2425.80	825.91 925.81 925.81 1025.81	562.12 628.16 694.24 726.53	246,69 295,32 361,02 468,08 507,56 531,48	208.23 208.23 208.23 208.23 208.23 208.23 208.23 208.23 219.03	208.23 208.23 208.23 208.23 208.23 208.23 208.23 208.23	(ft) 205.28 207.61 208.23 208.23 208.23 208.23	VSEC
-1126.74 -1226.74 -1326.74 -1326.73 -1526.73 -1526.73 -1526.73 -1626.73 -2026.73 -2026.73 -2026.73 -2026.73 -2226.72 -2326.72 -2526.72 -2526.72 -2526.72 -2526.72	-826.84 -826.74 -827.42	-563.05 -629.09 -695.16	-247.62 -296.25 -361.84 -441.83 -508.48 -532.40	-209.16 -209.16 -209.16 -209.16 -209.16 -209.16 -218.18	-209.16 -209.16 -209.16 -209.16 -209.16 -209.16	(R) -206.20 -209.16 -209.16 -209.16 -209.16	NS
-350.82 -359.46 -359.46 -359.47 -358.64 -358.64 -358.64 -358.13 -356.13 -357.36 -357.36 -357.36 -357.36 -356.50 -356.50 -356.07 -356.07 -356.07	-360.69 -360.43 -360.43	-361.37 -361.20 -361.03	-362.18 -361.86 -361.88 -361.68 -361.51 -361.44	362.27 362.27 362.27 362.27 362.27 362.27 362.27	-362.27 -362.27 -362.27 -362.27 -362.27 -362.27 -362.27	(ft) -367.15 -362.27 -362.27 -362.27 -362.27	EW
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...Origianl Borehole\Cimarex DaVinci 7-18 Federal Com #32H Rev0 RM 14Nov17

		Comments
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	-355.36 -355.35 -355.05 -355.05 -354.78 -354.28 -354.28 -354.28 -354.28	(R)
		(*/100ft)
414398 43 414398 45 414738 45 414639 46 414539 45 414639 46 414539 45 414639 46 413539 45 413539 50 413739 55 413539 57 413539 57 413539 57 413539 58 413539 59 413539 59 413539 59 413539 59 413539 59 413539 59 413539 59 413539 59 412539 59 411539 75 411639	4 15838.33 4 15838.33 4 15638.35 4 15638.35 4 15638.36 4 15638.36 4 15538.30 4 1538.41 4 1538.41 4 1538.41	Northing (RUS)
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...Origiani Borehole\Cimarex DeVinci 7-18 Federal Com #32H Rev0 RM 14Nov17

	Descriptio	Survey Error Model: Survey Program:	Survey Type:	(330' FSL, 1854' FEL)	Cimarex DeVinci 7-18 Federal Com #32H - PBHL	2			OBUGSION	Wolfcamp Z							Commenta	
		ISCW	Non-D		18318.36	18300.00	18200.00	18000.00	17900.00	17887.47	17800.00	17600.00	17500.00	17400.00	17200.00	17100.00	17000 00	
	Part	SA Rev 0 *** 3-	vef Plan		89.75	89.75	89.75	89.75	89.75	89.75	89.75	89.75	89.75	89.75	89.75	89.75	89 <u>(</u> *)	
0.000 24.000	MLD From (ft)	D 95.000% Confi			179.85	179.85	179.85	179.85	179.85	179.85	179.85	179.85	179.85	179.85	179.85	179.85	Azim Grid (*)	
24.000 18318.358	MD To (ft)	dence 2.7955 sigr			8838.00	8837.92	8837.47	8836.59	8836.14	8836.00	8835.70	8834.81	8834.37	8833.93	8833.04	8832.60	8837 15	
1/100.000	EOU Freq (R)	718			9944.08	9925.73	9625.73	9625.73	9525.73	8493.20	9425.73	9225.73	9125.73	9025.73	8825.74	8725.74	VSEC (ft)	
30.000 30.000	Hole Size (in)				-9944,98	-9926.62	-9826.62	-9626.63	-9526.63	-9494.10	-9426.63	-9226.63	-9126.63	-9026.64	-8826.64 _8926.64	-8726.64	-8626 64	
30,000 30,000	Casing c Diameter (in)				-337.30	-337.35	-337,60	-338.12	-338.37	-338.46	-338.63	-339.14	-339.40	-339.66	-340.17	-340,43	-340.68	
	Inclination (deg)				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0,00		0.00	0.00	
NAL_MWD_PLUS	Survey Tool				408720.72	408739.08	408839.07	409039.04	409138.03	409171.56	409239.02	409439.00	409538.99	409638.98	409838.96	409938.95	Northing (ftUS) 410038.94	
5_0.5_DEG- nly 5_0.5_DEG	l Type				574288.45	574288.40	574288.15	574287.83	574287.38	574287.29	574287.12	574286.61	574286.35	574286.09	574285.58	574285.33	Easting (ftUS) 574285.07	
Ongian DaVinci 7 Origian DaVinci 7	8				N 32 7	N 32 7	N 32 7	z z 32 7	N 32 7	N 32 7	N 32 7	z z 3 5	N 32 7	N 32 7	z z 30 22	2 32 7	z 32 7	
-18 Feder U Borehole -18 Feder	rehole / S				24.99 W	25.17 W	26.16 W	28.14 W	29.13 W	29.45 W	30.12 W	31 11 W	33.08 W	34.07 W	35.05 W	37.04 W	S S W	
al Com#3 - / Cimaren - / Cimaren al Com #3 - / Cimaren - #3	Survey				104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	104 13 36	Longiti (E/W •	
¥ ¥					81	8	8	38	82	82	8	2 2	8	8	2 2	2	ة باء	

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...Origiani Borehole\Cimarex DeVinci 7-18 Federal Com #32H Rev0 RM 14Nov17

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2nd Bone Soring Sa

Build 12*/100' DLS

3rd Bone Spring Sa

Bulk 4*/100 DLS

Inding Point

olfcamp X Sandstone

Volfcamp Y Sandstone

(330' FSL, 1854' FEL) Wolfcamp Az

Wolfcamp Z Sandstone Cimarex DaVinci 7-18 Federal Com #32H - PBHL

Wolfcamp A

7056 02

8307.03

8408.79

8831 08

8874.48

8932.03

9067.30

9300.68

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18318.38

NaN

0.00

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80 41

89.75

89.75

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240.00

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179.85

179.85

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8288.01

8389.00

8713.00 8731.00 8749.21

8778 00

8798.00

8836.00

8838.00

9190.00

208 23

208.23

219.03

488.08 507.56 562.12

694.24 926.49

9493.20

9944.08

-209.18

-209.16

-209.16

-219.96

-489.01 -508.48

-583.05

-895.16 -927.42

-9494.10

-9944.98

2.00 0.00

12.00

12.00

12.00

4.00 4.00

0.00

0.00

-362.27

-382.27

-382.25

-381.61 -381.51 -361.37

-361.03 -360.43

-338.48

-337.30

Schlunberger

CIMAREX

Cimarex DaVinci 7-18 Federal Com #32H Rev0 RM 14Nov17 Anti-Collision Summary Report

Analysis Date-24hr Time: Client: Field:	March 01, 2018 - Cimarex NM Eddy County	15:46 (NAD 83)					Analysis Met Reference Tr Depth Interva	hod: ajactory: al:	3D Least Distance Cimarex DaVinci 7-18 Every 10.00 Measure	l Federal Com #32H d Depth (ft)	l Rev0 RM 14Nov17 (I	Non-Def Plan)
Structure:	Cimarex DaVinci	7-18 Federal Co	n #32H				Rule Set:		NAL Procedure: D&M	AntiCollision Standa	ard S002	
Slot; Well: Borehole: Scan MD Range:	Cimarex DaVinci Cimarex DaVinci Origianl Borehole 0.00ft - 18318.36	7-18 Federal Con 7-18 Federal Con ift	n #32H n #32H				Min Pts: Version / Pat Database \ Pi	ch: roject:	All local minima indica 2.10.696.0 us1153app452.dir.slb	sted. .com\drilling-NM Edu	dy County 2.10	
<u>Trajectory Error Model:</u> Offsat Salection Criteria	ISCWSA0 3-D 9 offset wells, error	5.000% Confide model version is	nce 2.7955 si specified wit	igma, for sui ih each weil	bject well. For respectively. Off	faet Trajector	les Summary					
Wellhead distance scan: Selection filters:	Not performed! Definitive Surveys - All Non-Def Surv	s - Definitive Plan veys when no De	s - Definitive I-Survey is s	surveys exc at in a boreh	ducte definitive plar ole - All Non-Def F	ns Plans when no	Def-Plan is se	t in a borehole				
Offset Trajectory	Separ	ation	Allow	Sep.	Controlling	Reference	Trajectory		Risk Level		Alert	Status
	CI-CI (ft) MAS	(ft) EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
Cimarex DaVinci 7-18 Federal Com #34H Rev0 RM 15Nov17 (Non-Def Plan)	40.06 3	32.54 37.56	7.53	N/A	MAS = 9.92 (m)	0.00	0.00	CtCt<= 15m<15.00		-	Enter Alert	Fall Minor
	40.05 3 40.05 3 40.06 3 40.45 3	32.54 37.55 32.54 27.26 32.54 27.22 32.54 27.22	7.51 7.51 7.52 7.01	N/A 3.65 3.63 3.61	MAS = 9.92 (m) MAS = 9.92 (m) MAS = 9.92 (m) MAS = 9.92 (m)	24.00 1700.00 1710.00 1750.00	24.00 1700.00 1710.00 1750.00				WRP MinPts MINPT-O-EOU MinPt-O-SF	
	59.52 3 261.99 4 315.42 4 303.95 5	12.54 45.01 17.01 229.82 19.28 281.73 14.71 268.05 13.04 241.10	26.98 214.98 266.14 249.24	5.00 8.74 10.03 8.66	MAS = 9.92 (m) OSF1.50 OSF1.50 OSF1.50 OSF1.50	2040.00 6618.64 8307.03 9300.68	2040.00 6600.00 8288.01 8798.00	OSF >5.00			Exit Alert MinPt-O-SF MinPts MinPt-CtCt Sates Alert	
	303.96 30 303.96 32	4.05 87.09	-0.21 -20.09	1.50	OSF1.50 OSF1.50	17700.00 18318.35	8835.26 8838.00	031-0.00	OSF<1.50		Enter Minor MinPts	
Cimarex DaVinci 7-18 Federal Com #33H Rev1 RM 08Jan18 (Non-Def Plan)												Warning Alert
	19.99 1 19.98 1 19.98 1 20.00 1	6.49 17.49 6.49 17.48 9.82 <u>5.94</u> 9.89 <u>5.91</u>	3.51 3.50 0,16 0.11	N/A N/A 1.51 1.51	MAS = 5.03 (m) MAS = 5.03 (m) OSF1.50 OSF1.50	0.00 24.00 1900.00 1910.00	0.00 24.00 1900.00 1910.00	CtCt<≈15m<15.00			Enter Aler WRP MinPt-CtCt MINPT-O-EOU	-

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Offset Trajectory		Separation		Allow	Sep.	Controlling	Reference	Trajectory		Risk Level		Alert	Status
	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		_
	20.05	19,95	5.91	0.10	1.51	OSF1.50	1920.00	1920.00				MinPts	
	65.17	21.31	50.13	43.80	5.00	OSF1.50	3570.00	3584.45	OSF>5.00			Exit Alert	
	97.67	31.06	76.13	66.61	5.00	OSF1.50	5080.00	5067.96	OSF<5.00			Enter Alert	
	131.51	44.48	101.03	B7.04	4.61	OSF1.50	6818.64	6600.00				MnPt-O-SF	
	143.95	45.10	\$13.05	98.85	4.98	OSF1.50	6850.00	6840.98	OSF>5.00			Exit Alert	
	154.78	45.08	123.50	109.10	5.29	OSF1.50	8310.00	8290.98				MinPts	
	154.82	45.70	123.52	109.12	5.29	OSF1.50	8320.00	8300.98				MinPt-O-SF	
	731.01	28.19	712.28	703.72	42.59	OSF1.50	9290.00	8797.91				MinPt-CtCt	
	778.76	234.87	619.35	541.89	5.00	OSF1.50	16230.00	8828.74	OSF<5.00			Enter Alert	
	790.29	299.15	590.03	491.14	3.98	OSF1.50	18318.35	8838.00				MinPts	
Cimarex DaVinci 7-18 Federal Com #35H Rev1 RM 08Jan18 (Non-Def Ptan)			•••										Pass
	60.02	32.81	57.52	27.22	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	60.00	32.81	57.50	27.19	N/A	MAS # 10.00 (m)	24.00	24.00				WRP	
	60.00	32.81	48.47	27.19	8.37	MAS = 10.00 (m)	1500.00	1500.00				MinPts	
	60.08	32.81	48.43	27.25	8.31	MAS = 10.00 (m)	1520.00	1520.00				MINPT-O-EOU	
	61.05	32.81	49.15	28.24	6.23	MAS = 10.00 (m)	1580.00	1580.00				MinPt-O-SF	
	359.60	48.91	328.15	310.68	11.54	OSF1.50	6618.64	6500.00				MinPt-O-SF	
	477.90	53.21	441.50	424.09	14.06	OSF1.50	8307.03	8288.01				MINPT-O-EOU	
	477.90	53.21	441.59	424,69	14.06	OSF1.50	6310.00	8290.98				MinPt-O-ADP	
	478.07	53.24	441.74	424.83	14.00	OSF1.50	8330.00	8310.97				MinPt-O-SF	
	1091.40	298,09	891.84	793.31	5.53	OSF1.50	18318.35	8838.00				MinPts	

...Origianl Borehole\Cimarex DaVinci 7-18 Federal Com #32H Rev0 RM 14Nov17

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1. Geological Formations

TVD of target 8,838	Pilot Hole TD N/A
MD at TD 18,318	Deepest expected fresh water

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone	Hazards
Rustler	0	N/A	
Salado	1252	N/A	
Castille	1870	N/A	
Bell Canyon	2088	Hydrocarbons	
Cherry Canyon	3075	Hydrocarbons	
Brushy Canyon	4127	Hydrocarbons	
Brushy Canyon Lower	5296	Hydrocarbons	
Bone Spring	5621	Hydrocarbons	
Bone Spring A Shale	5739	Hydrocarbons	
Bone Spring C Shale	6085	Hydrocarbons	
1st Bone Spring Ss	6576	Hydrocarbons	
2nd Bone Spring Ss	7037	Hydrocarbons	
2nd Bone Spring Ss Lower	7788	Hydrocarbons	
3rd Bone Spring Ss	8389	Hydrocarbons	
Wolfcamp A	8713	Hydrocarbons	
Wolfcamp X Sandstone	8731	Hydrocarbons	
Wolfcamp Y Sandstone	8778	Hydrocarbons	
Wolfcamp Horz Target	8798	Hydrocarbons	
Wolfcamp Z Sandstone	8836	Hydrocarbons	
Wolfcamp A2	9190	Hydrocarbons	

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	450	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	3.59	8.40	14.91
12 1/4	0	2068	9-5/8"	36.00	J-55	LT&C	1.84	3.21	6.08
8 3/4	0	8307	7"	26.00	L-80	LT&C	1.39	1.86	2.22
8 3/4	8307	9301	7"	26.00	N-80	BT&C	1.31	1.75	43.75
6	8307	18318	4-1/2"	11.60	P-110	BT&C	1.50	2.12	59.58
	•	-	•	BLM	Minimum Sa	afety Factor	1.125	1	1.6 Dry 1.8 Wet

TVD was used on all calculations.

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

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Cimarex Energy Co., Davinci 7-18 Federal Com 32H

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	N
Is well within the designated 4 string boundary.	Ν
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	N
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	N
Is 2nd string set 100' to 600' below the base of salt?	N
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	N
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	N
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	N

3. Cementing Program

Production

Completion System

Casing	# Sks	Wt. Ib/gał	Yid ft3/sack	H2O gal/sk	500# Comp. Strength (hours)	Slurry Description	
Surface	91	13.50	1.72	9.15	. 15.5	Lead: Class C + Bentonite	
	195	14.80	1.34	6.32	9.5	Tail: Class C + LCM	
Intermediate	392	12.90	1.88	9.65	12	Lead: 35:65 (Poz:C) + Salt + Ben	tonite
	121	14.80	1.34	6.32	9.5	Tail: Class C + LCM	
Production	332	10.30	3.64	22.18		Lead: Tuned Light + LCM	
	127	14.20	1.30	5.86	14:30	Tail: 50:50 (Poz:H) + Salt + Bent	onite + Fluid Loss + Dispersant + SMS
Completion System	656	14.20	1.30	5.86	14:30	Tail: 50:50 (Poz:H) + Salt + Bent	onite + Fluid Loss + Dispersant + SMS
Casing String	<u> </u>			тос			% Excess
Surface						0	33
Intermediate				1		0	50

1868

9301

23 10

4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.					
BOP installed and tested before drilling which hole?	Size	Min Required WP	Туре		Tested To
12 1/4	13 5/8	2M	Annular	x	50% of working pressure
			Blind Ram		
			Pipe Ram		2М
			Double Ram	x	
			Other		
8 3/4	13 5/8	5M	Annular	×	50% of working pressure
			Blind Ram		
			Pipe Ram		5M
			Double Ram	x	
			Other		
6	13 5/8	5M	Annular	x	50% of working pressure
			Blind Ram		
			Pipe Ram	×	5М
			Double Ram	×	
			Other		

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

×	Forn On I Will	nation integrity test will be performed per Onshore Order #2. Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
X	A va	riance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
	N	Are anchors required by manufacturer?

Cimarex Energy Co., Davinci 7-18 Federal Com 32H

5. Mud Program

Depth	Туре	Weight (ppg)	Viscosity	Water Loss
0' to 450'	FW Spud Mud	8.30 - 8.80	30-32	N/C
450' to 2068'	Brine Water	9.70 - 10.20	30-32	N/C
2068' to 9301'	FW/Cut Brine	8.50 - 9.00	30-32	N/C
9301' to 18318'	Oil Based Mud	10.50 - 11.00	50-70	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid? PVT/Pason/Visual Monitoring

6. Logging and Testing Procedures

Logg	ing, Coring and Testing
х	Will run GR/CNL fromTD to surface (horizontal well - vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No logs are planned based on well control or offset log information.
	Drill stem test?
	Coring?

Additional Logs Planned	Interval
-------------------------	----------

7. Drilling Conditions

Condition	
BH Pressure at deepest TVD	5055 psi
Abnormal Temperature	No

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

х	H2S is present	
х	H2S plan is attached	

8. Other Facets of Operation

9. Wellhead

A multi-bowl wellhead system will be utilized.

After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi test. Annular will be tested to 50% of working pressure. The pressure test will be repeated at least every 30 days, as per Onshore Order No. 2.

The multi-bowl wellhead will be installed by vendor's representative. A copy of the installation instructions has been sent to the BLM field office.

The wellhead will be installed by a third-party welder while being monitored by the wellhead vendor representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

A solid steel body pack-off will be utilized after running and cementing the production casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

The surface casing string will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

The casing string utilizing steel body pack-off will be tested to 70% of casing burst.

If well conditions dictate conventional slips will be set and BOPE will be tested to appropriate pressures based on permitted pressure requirements.

Exhibit F – Co-Flex Hose Davinci 7-18 Federal Com 32H Cimarex Energy Co. 7-25S-27E Eddy County, NM



Exhibit F-1 – Co-Flex Hose Hydrostatic	Test
Davinci 7-18 Federal Com 32H	
Cimarex Energy Co.	
7-25S-27E	
Eddy County, NM	



Midwest Hose & Specialty, Inc.

Customer: Oderco Inc				P.O. Number: odyd-271		
		HOSE SPECI	FICATIONS			
Type: Sta	inless S	iteel Armor				
Ch	oke & K	ill Hose		Hose Length:	45'ft.	
I.D.	4	INCHES	O.D.	9	NCHES	
WORKING PRES	SURE	TEST PRESSUR	E	BURST PRESSUR	Ε	
10,000	PSI	15,000	PSI	0	PS	
Stem Part No	 D.		Ferrule No.			
	окс		окс			
	ОКС		окс			
Type of Cou	pling:					
	Swage-I	t				
		PROC	EDURE	·		
Hos	e assembly	pressure tested wi	th water at ambien	t temperature.		
TIM	E HELD AT	TEST PRESSURE	ACTUAL E	BURST PRESSURE:		
	15	MIN.		0	PSI	
Hose Assembly Serial Number:			Hose Serial Number:			
79793			οκά			
Comments:						
Date:		Tested:		Approved:	_	
3/8/201	1	4	Sector Stands	Levil 4	4	


Davin	ci 7-18 Federal Com 32H Cimarex Energy Co. 7-25S-27E Eddy County, NM	Ŵ		
	Mid & Sp	west Hose ecialty, In	e C.	
	Certificate	e of Confor	mity	7
	Customer: DEM		PO ODYD-271	4
	SPEC	FICATIONS		1
	Sales Order 79793	Dated:	3/8/2011	1
	We hereby cerify that for the referenced purc according to the requir order and current indus	the material s chase order to ements of the stry standards	upplied be true purchase s	
	We hereby cerify that for the referenced purch according to the require order and current indus Supplier: Midwest Hose & Specia 10640 Tanner Road Houston, Texas 77041	the material s chase order to ements of the stry standards	upplied be true purchase	
	We hereby cerify that if for the referenced purch according to the require order and current indus Supplier: Midwest Hose & Specia 10640 Tanner Road Houston, Texas 77041	the material s chase order to ements of the stry standards	upplied be true purchase	



Exhibit F -3– Co-Flex Hose Davinci 7-18 Federal Com 32H Cimarex Energy Co. 7-25S-27E Eddy County, NM

Specification Sheet Choke & Kill Hose

The Midwest Hose & Specialty Choke & Kill hose is manufactured with only premium componets. The reinforcement cables, inner liner and cover are made of the highest quality material to handle the tough drilling applications of today's industry. The end connections are available with API flanges, API male threads, hubs, harnmer unions or other special fittings upon request. Hose assembly is manufactured to API 7K. This assembly is wrapped with fire resistant vermculite coated fiberglass insulation, rated at 2000 degrees with stainless steel armor cover.

Working Pressure:	5,000 or 10,000 psi working pressure
Test Pressure:	10,000 or 15,000 psi test pressure
Reinforcement:	Multiple steel cables
Cover:	Stainless Steel Armor
Inner Tube:	Petroleum resistant, Abrasion resistant
End Fitting:	API flanges, API male threads, threaded or butt weld hammer unions, unibolt and other special connections
Maximum Length:	110 Feet
ID:	2-1/2", 3", 3-1/2". 4"
Operating Temperature:	-22 deg F to +180 deg F (-30 deg C to +82 deg C)

P.O. Box 96558 - 1421 S.E. 29th St. Oklahoma City, OK 73143 * (405) 670-6718 * Fax: (405) 670-6816



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

not the first

Submission Date: 03/28/2018

Well Number: 32H

Well Work Type: Drill

APD ID: 10400023871

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Type: CONVENTIONAL GAS WELL

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Davinci_7_18_Fed_Com_W2E2_Road_ROW_20180328084711.pdf

Existing Road Purpose: ACCESS

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Davinci_7_18_Fed_Com_W2E2_Mile_Radius_Existing_Wells_20180328084807.pdf

Highlighted data reflects the most recent changes Show Final Text

SUPO Data Report

Row(s) Exist? NO

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description:

Production Facilities map:

Davinci_7_18_Fed_Com_East_CTB_Battery_Layout_20180328084820.pdf

Section 5 - Location	and Types of Water Sup	ply
Water Source Ta	able	
Water source use type: INTERME SURFACE CASING Describe type:	DIATE/PRODUCTION CASING,	Water source type: MUNICIPAL
Source latitude:		Source longitude:
Source datum:		
Water source permit type: WATER	R RIGHT	
Permit Number:		
Source land ownership: FEDERA	L	
Water source transport method: F	PIPELINE, TRUCKING	
Source transportation land owner	rship: FEDERAL	
Water source volume (barrels): 50	000	Source volume (acre-feet): 0.6444655
Source volume (gal): 210000		
later source and transportation ma	p:	
avinci_7_18_Fed_Com_W2E2_Drillir	ng_Water_Route_2018032808483	8.pdf
ater source comments:		
ew water well? NO		
New Water Well I	nfo	
Well latitude:	Well Longitude:	Well datum:
Well target aquifer:		
Est. depth to top of aquifer(ft):	Est thickness of	aquifer:
Aquifer comments:		
Aquifer documentation:		

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Well depth (ft):	Well casing type:
Well casing outside diameter (in.):	Well casing inside diameter (in.):
New water well casing?	Used casing source:
Drilling method:	Drill material:
Grout material:	Grout depth:
Casing length (ft.):	Casing top depth (ft.):
Well Production type:	Completion Method:
Water well additional information:	

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: The drilling and testing operations will be conducted on a watered and compacted native soil grade. Soft spots will be covered with scoria, free of large rocks (3" diameter). Upon completion as a commercial producer the location will be covered with scoria, free of large rocks (3" dia.) from an existing privately owned gravel pit. **Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling Fluids, drill cuttings, water and other waste produced from the well during drilling operations.

Amount of waste: 15000 barrels

Waste disposal frequency : Weekly

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL

FACILITY Disposal type description:

Disposal location description: Haul to R360 commercial disposal.

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations

Amount of waste: 32500 pounds

Waste disposal frequency : Weekly

Safe containment description: n/a

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Operator Name: CIMAREX ENERGY COMPANY

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Disposal type description:

Disposal location description: Windmill Spraying Service hauls trash to Lea County Landfill

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Davinci_7_18_Fed_Com_32H_Wellsite_Layout_20180328084957.pdf

Well Name: DAVINCI 7-18 FEDERAL COM

Well Number: 32H

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: No New Surface Disturbance Multiple Well Pad Name: DAVINCI 7-18 FEDERAL COM

Multiple Well Pad Number: W2E2

Recontouring attachment:

Davinci_7_18_Fed_Com_W2E2_Interim_Reclamation_20180328085411.pdf

Drainage/Erosion control construction: To control and prevent potentially contaminated precipitation from leaving the pad site, a perimeter berm and settlement pond will be installed. Contaminated water will be removed from pond, stored in waste tanks, and disposed of at a state approved facility. Standing water or puddles will not be allowed. Drainage ditches would be established and maintained on the pad and along access roads to divert water away from operations. Natural drainage areas disturbed during construction would be re-contoured to near original condition prior to construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction. Erosion Control Best Management Practices would be used where necessary and consist of Seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction. Erosion Control Best Management Practices would be used where necessary and construction Best Management Practices would be used where necessary and construction that are no longer needed for operations would be used where necessary and construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed for operations would be obliterated, re-contoured to near original condition prior to construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction that are no longer needed for operations would be obliterated, re-contoured, and reclaimed to near original c

Drainage/Erosion control reclamation: All disturbed and re-contoured areas would be reseeded according to specifications. Approved seed mixtures would be certified weed free and consist of grasses, forbs, or shrubs similar to the surrounding area. Compacted soil areas may need to be obliterated and reclaimed to near natural conditions by re-contouring all slopes to facilitate and re-establish natural drainage.

Well pad proposed disturbance	Well pad interim reclamation (acres):	Well pad long term disturbance
(acres): 0 Road proposed disturbance (acres): 0	Road interim reclamation (acres):	(acres): Road long term disturbance (acres):
Powerline proposed disturbance (acres): 0 Pipeline proposed disturbance	Powerline interim reclamation (acres): 0 Pipeline interim reclamation (acres):	Powerline long term disturbance (acres): 0 Pipeline long term disturbance
(acres): 0	Other interim reclamation (acres):	(acres):
Other proposed disturbance (acres): 0	Total interim reclamation:	Other long term disturbance (acres):
Total proposed disturbance: 0		Total long term disturbance:

Disturbance Comments:

Reconstruction method: After well plugging, all disturbed areas would be returned to the original contour or a contour that blends with the surrounding landform including roads unless the surface owner requests that they be left intact. In consultation with the surface owners it will be determined if any gravel or similar materials used to reinforce an area are to be removed, buried, or left in place during final reclamation. Salvaged topsoil, if any, would be re-spread evenly over the surfaces to be re-vegetated. As necessary, the soil surface would be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching, or fertilizing. Reclamation, Re-vegetation, and Drainage: All disturbed and recontoured areas would be reseeded using techniques outlined under Phase I and II of this plan or as specified by the land owner. Approved seed mixtures would be certified weed free and consist of grasses, forbs, or shrubs similar to the surrounding area. Compacted soil areas may need to be obliterated and reclaimed to near natural conditions by re-contouring all slopes to facilitate and re-establish natural drainage. **Topsoil redistribution:** Salvaged topsoil, if any, would be re-spread evenly over the surfaces to be re-vegetated.

Soil treatment: As necessary, the soil surface would be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching or fertilizing. **Existing Vegetation at the well pad:**

Well Number: 32H

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Existing Vegetation Community at the road attachment: Existing Vegetation Community at the pipeline: Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO Seed harvest description: Seed harvest description attachment:

Seed Management

Seed Type

Seed source:
Source address:
Proposed seeding season:
Total pounds/Acre:

Pounds/Acre

Well Number: 32H

Seed reclamation attachment:

Operator Contact	Responsible Official Contact Info
First Name:	Last Name:
Phone:	Email:
Seedbed prep:	
Seed BMP:	
Seed method:	
Existing invasive species?	NO
Existing invasive species tr	eatment description:
Existing invasive species tr	eatment attachment:
Weed treatment plan descri	ption: n/a
Weed treatment plan attach	ment:
Monitoring plan description	: n/a
Monitoring plan attachment	:
Success standards: n/a	
Pit closure description: n/a	
Pit closure attachment:	

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Operator Name: CIMAREX ENERGY COMPANY Well Name: DAVINCI 7-18 FEDERAL COM

Weil Number: 32H

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS,288100 ROW - O&G Pipeline,288101 ROW - O&G Facility Sites,288103 ROW - Salt Water Disposal Pipeline/Facility,289001 ROW- O&G Well Pad,FLPMA (Powerline)

ROW Applications

SUPO Additional Information: Flow line route is the only new disturbance. This Route will be the same for Davinci 7-18 Fed 32H, 33H, 34H & 35H.

Use a previously conducted onsite? YES

Previous Onsite information: Onsite with BLM (Jeff Robertson and Cimarex (Barry Hunt) on March 28, 2017.

Other SUPO Attachment

Davinci_7_18_Fed_Com_32H_SUPO_20180328085340.pdf Davinci_7_18_Fed_Com_W2E2_Public_Access_20180328085341.pdf Davinci_7_18_Fed_Com_W2E2_Temp_Water_Route_20180328085342.pdf Davinci_7_18_Fed_Com_W2E2_Flowline_ROW_20180328085352.pdf Davinci_7_18_Fed_Com_W2E2_Public_Access_20180328091320.pdf









- Fill quantity includes 5% for compaction.
- Cut/Fill slopes 1 1/2:1 (Typ. except where noted)

DAVINCI EAST 7-18 FEDERAL CTB NW 1/4 NE 1/4, SECTION 7, T25S, R27E, N.M.P.M. EDDY COUNTY, NEW MEXICO



UELS, LLC Corporate Office * 85 South 200 East Vernal, UT 84078 * (435) 789-1017

SURVEYED BY M.P., B.D. 05-15-17 SCALE 05-30-17 DRAWN BY AS SHOWN **TYPICAL CROSS SECTIONS** EXHIBIT F



BEGINNING AT THE INTERSECTION OF OLD CAVERN HIGHWAY AND AN EXISTING ROAD TO THE SOUTHEAST (LOCATED AT NAD83 LATITUDE N32.156844° AND LONGITUDE W104.288819°) PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN SOUTHERLY, THEN NORTHERLY, THEN WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 3,197' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM THE INTERSECTION OF OLD CAVERN HIGHWAY AND AN EXISTING ROAD TO THE SOUTHEAST (LOCATED AT NAD83 LATITUDE N32.156844° AND LONGITUDE W104.288819°) TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 1.0 MILES.



UELS, LLC Corporate Office * 85 South 200 East Vernal, UT 84078 * (435) 789-1017

EDDY COUNTY, NEW MEXICO				
SURVEYED BY M.P., B.D. 05-10-17				
DRAWN BY V.L.D. 05-23-17				
RO	ROAD DESCRIPTION Exhibit E			

CIMAREX ENERGY CO.

DAVINCI EAST 7-18 FEDERAL CTB NW 1/4 NE 1/4, SECTION 7, T25S, R27E, N.M.P.M.





DAVINCI EAST 7-18 FEDERAL CTB			
SECTION CORNER	SECTION CORNER DESC.	LATITUDE (NAD 83)	LONGITUDE (NAD 83)
NW COR. SEC. 7, T25S, R27E	BRASS CAP W/2" IRON PIPE	N 32°09'06.27"	W 104°14'16.75"
N1/4 COR. SEC. 7, T25S, R27E	BRASS CAP W/ 1" IRON PIPE	N 32°09'06.54"	W 104*13'46.25"
NE COR. SEC. 7, T255, R27E	BRASS CAP W/2" IRON PIPE	N 32*09'06.81"	W 104*13'15.46"
E1/4 COR. SEC. 7, T25S, R27E	BRASS CAP W/ 1" IRON PIPE	N 32°08'40.58"	W 104*13'15.36"
SE COR. SEC. 7, T255, R27E	BRASS CAP W/2" IRON PIPE	N 32°08'14.39"	W 104*13'15.27"
SW COR. SEC. 7, T255, R27E	BRASS CAP W/ 2" IRON PIPE	N 32*08'13.86"	W 104*14'16.64"
W 1/4 COR. SEC. 7, T255, R27E	BRASS CAP W/ 1" IRON PIPE	N 32°08'40.07"	W 104*14'16.69"

DAVINCI E	DAVINCI EAST 7-18 FEDERAL CTB SURFACE USE AREA			
CORNER	LATITUDE (NAD 83)	LONGITUDE (NAD 83)		
1	N 32*08'58.40"	W 104*13'37.46"		
2	N 32*08'58.43"	W 104°13'34.55"		
3	N 32°08'56.65"	W 104*13'34.53"		
4	N 32*08'56.64"	W 104*13'35.11"		
5	N 32*08'57.93"	W 104*13'35.13"		
6	N 32*08'57.91"	W 104°13'37.46"		

CERTIFICATE THIS IS TO CERTIFY THAT THIS EASEMENT PLAT AND THE ACTUAL SUBJECT THE CROUND UPON WHICH IT IS HASED WEEL TERFORM THAT RAVES NONSIBLE FOR THIS SUBJECT SUBJECT IN STREAM OF THE SUBJECT AND THE MINIMUM STATISANAS WEAT ROUTING IN NEW MEXICU AND HIS OTHER FOR CONCORNECT TO THE BEST OF MY CHOOLEDGE AND HELDF SURNE ESSIONAL 06-02 FILE: 6 1 7 1 6-B Sheet 2 of 2 NOTES: **CIMAREX ENERGY CO.** DaVINCI EAST 7-18 FEDERAL CTB SECTION 7, T25S, R27E, N.M.P.M. EDDY COUNTY, NEW MEXICO SURVEYED BY DRAWN BY M.P., B.D. B.D.H. SCALE N/A 05-15-17 06-02-17 UELS, LLC Corporate Office * 85 South 200 East Vernal, UT 84078 * (435) 789-1017 JIN Н Flow Line Connection Exhibit F















Pad will be reclaimed after cessation of drilling operations. Please see Surface Use Plan for pad reclamation plans.

0	Well locations
	Interim Reclamation

Ν

Exhibit D-1 Interim Reclamation Diagram Davinci 7-18 Fed Com W2E2 pad Cimarex Energy Co. Sec 7-25S-27E Eddy Cty, NM

Cimarex Davinci 7-18 Federal Com 32H Surface Use Plan

Upon approval of the Application for Permit to Drill (APD) the following surface use plan of operations will be followed and carried out. The surface use plan outlines the proposed surface disturbance. If any other disturbance is needed after the APD is approved, a BLM sundry notice or right of way application will be submitted for approval prior to any additional surface disturbance.

Existing Roads

- Directions to location Exhibit A.
- Public access route Exhibit B.
- Existing access road for the proposed project. Please see Exhibit B and C.
- Cimarex Energy will:
 - o Improve and/or maintain existing road(s) condition the same as or better than before the operations began.
 - o Provide plans for improvement and /or maintenance of existing roads if requested.
 - o Repair or replace damaged or deteriorated structures as needed. Including cattle guards and culverts.
 - Prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.
 - Obtain written BLM approval prior to the application of surfactants, binding agents, or other dust suppression chemicals on the roadways.
- The maximum width of the driving surface will be 18'. The road will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1' deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.

New or Reconstructed Access Roads

No new roads are proposed for this project.

Well Radius Map

Please see Exhibit E for wells within one mile or proposed well SHL and BHL.

Proposed or Existing Production Facility

An existing battery will be utilized for the project if the well is productive.

- Davinci 7-18 Federal Com East CTB
 - o Battery Pad diagram Exhibit F
 - o Battery will not require an expansion in order to accomodate additional production equipment for the project.
 - o Battery Pad location previously approved
 - APD: Davinci 7-18 Federal Com 30H.

Gas Pipeline Specifications

• No new gas pipelines are required for this project.

Salt Water Disposal Specifications

• No new SWD pipelines are required for this project.

Power Lines

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• No new power line is required for this project.

Well Site Location

- An existing well pad will be used to drill the proposed well.
 - Wells drilled or to be drilled: Davinci 7-18 Federal Com 29H thru 42H.
- Well pad will not require expansion in order to accommodate additional drilling wells. .
- Well pad previously approved. APD: Davinci 7-18 Federal Com 30H.

Flowlines and Gas Lift Pipelines

- All proposed pipelines will be constructed in a 60' ROW corridor.
 - Flowlines
 - o Cimarex Energy plans to construct on-lease flowlines to service the well.
 - o 6" HP steel for oil, gas, and water production.
 - o Length: 1,170'.
 - o MAOP: 1,500 psi; Anticipated working pressure: 200-300 psi.
 - Please see Exhibit M for proposed on lease route.

Cimarex Davinci 7-18 Federal Com 32H Surface Use Plan

Water Resources

- A temporary surface fresh water pipeline(s) will be utilized for this project.
- Cimarex plans to lay the fresh water surface pipeline(s) prior to commencement of the stimulation job.
- 10" lay-flat surface pipeline.
- The surface pipeline(s) will follow the road from a frac pit to the well.
- Length: 2,095'.
- Operating pressure: <140 psi.
- Fresh water will be purchased from a 3rd party.
- Please see Exhibit O for proposed route.

Methods of Handling Waste

- Drilling fluids, produced oil, and water from the well during drilling and completion operations will be stored safely and disposed of properly in a NMOCD approved disposal facility.
- Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility. All trash on and around well site will be collected for disposal.
- Human waste and grey water will be contained and disposed of properly at a state approved disposal site.
- After drilling and completion operations, trash, chemicals, salts, frac sand and other waste will be removed and disposed of
 properly at a state approved disposal site.
- The well will be drilled utilizing a closed loop system. Drill cuttings will be properly disposed of into steel tanks and taken to an NMOCD approved disposal facility.

Waste Minimization Plan

See Gas Capture Plan.

Ancillary Facilities

No camps or airstrips to be constructed.

Interim and Final Reclamation

- Rehabilitation of the location will start in a timely manner after all proposed drilling wells have been drilled from the pad or if drilling operations have ceased as outlined below:
 - o No approved or pending drill permits for wells located on the drill pad
 - o No drilling activity for 5 years from the drill pad
- Surfacing materials will be removed and returned to a mineral pit or recycled to repair or build roads and well pads.
- Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.
- Exhibit P illustrates the proposed Surface Reclamation plans after cessation of drilling operations as outlined above.
 - The areas of the location not essential to production facilities and operations will be reclaimed and seeded per BLM requirements.
- Operator will amend the surface reclamation plan if well is a dry hole and/or a single well pad.

Surface Ownership

- The wellsite is on surface owned by Bureau of Land Management.
- A copy of Surface Use Agreement has been given to the surface owner.
- The land is used mainly for farming, cattle ranching, recreational use, and oil and gas production.

Cultural Resource Survey - Archeology

 Cultural Resources Survey will be conducted for the entire project as proposed in the APD and submitted to the BLM for review and approval.

On Site Notes and Information

Onsite Date: 3/28/2017 BLM Personnel on site: Jeff Robertson Cimarex Energy personnel on site: Barry Hunt Pertinent information from onsite:





DaVinci 7-18 Federal Com 33H to Cimarex DaVinci Frac Pit (Sec. 7-25S-27E) Eddy County, NM Proposed Frac Water Route

1 10" Water Line







U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO Produced Water Disposal (PWD) Location: **PWD surface owner:** Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: Pit liner description: Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount: Additional bond information attachment:

PWD disturbance (acres):

PWD Data Report

01/04/2019

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type: Injection well number: Assigned injection well API number? Injection well new surface disturbance (acres): Minerals protection information: Mineral protection attachment: Underground Injection Control (UIC) Permit? UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

 Produced Water Disposal (PWD) Location:

 PWD surface owner:
 PWD dist

 Surface discharge PWD discharge volume (bbl/day):
 PWD dist

 Surface Discharge NPDES Permit?
 Surface Discharge NPDES Permit attachment:

 Surface Discharge site facilities information:
 Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):


U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001188

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: