

July 15, 2016

Klipstine & Hanratty, a Law Partnership  
Attn: James Klipstine, Jr.  
917 Green Acres Dr  
Hobbs, NM 88240-4531

Re: New Well Proposal- Cottonberry 20 Federal Com 4H  
Township 25 South, Range 27 East, N.M.P.M.  
Section 20: E2E2  
Eddy County, New Mexico

Dear Mr. Klipstine:

Cimarex Energy Co. hereby proposes to drill the Cottonberry 20 Federal Com 4H well at a legal location on the E2W2 of Section 14, Township 25 South, Range 28 East, Eddy County, New Mexico.

The intended surface hole location for the well is 330 FNL & 700 FEL in Section 17, Township 25 South, Range 27 East, Eddy County, and the intended bottom hole location is 330' FSL & 660' FEL in Section 20, Township 25 South, Range 27 East, Eddy County. The well is proposed to be drilled vertically to a depth of approximately 7,332' to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 13,017' from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Cottonberry 20 Federal Com 4H well, and; (iii) Communitization Agreement for the Cottonberry 20 Federal Com 4H. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, and three (3) originals of the signature and acknowledgment page to the Communitization Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please contact the undersigned at (432) 571-7845 if you should have any questions.

Respectfully,

Cimarex Energy Co.  
Jordan Cockrell, Landman

**EXHIBIT**

**4**

**ELECTION TO PARTICIPATE  
Cottonberry 20 Federal Com 4H**

\_\_\_\_\_ Elects **TO** participate in the proposed Cottonberry 20 Federal Com 4H.

\_\_\_\_\_ Elects **NOT** to participate in the proposed Cottonberry 20 Federal Com 4H.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

If your election above is TO participate in the proposed Cottonberry 20 Federal Com 4H, then:

\_\_\_\_\_ Elects **TO** be covered by well control insurance procured by  
Cimarex Energy Co.

\_\_\_\_\_ Elects **NOT** to be covered by well control insurance procured by  
Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of  
insurance prior to commencement of drilling operations or be deemed to have elected  
to be covered by well control insurance procured by Cimarex Energy Co.

USPS TRACKING

LOSBLOCK TX 79701

PM 2

First-Class Mail®  
Postage & Fees Paid  
USPS  
Permit No. G-31

590 9403 0967 5223 6274 26

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
Well Proposal - Cottonberry 20 Fed Com 4H



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Clarence W. Ervin and Mary  
4016 Jones Street  
Carlsbad, NM 88220

9590 9409 0967 5223 6274 26

2. Article Number (transfer from service label)

91 7199 9991 7035 0924 0525

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

K. Brownlee

C. Date of

7/1/11

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☒ No

3. Service Type

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| <input type="checkbox"/> Adult Signature                         | <input type="checkbox"/> Priority Mail Express®                     |
| <input type="checkbox"/> Adult Signature Restricted Delivery     | <input type="checkbox"/> Registered Mail™                           |
| <input type="checkbox"/> Certified Mail®                         | <input type="checkbox"/> Registered Mail Restricted Delivery        |
| <input type="checkbox"/> Certified Mail Restricted Delivery      | <input type="checkbox"/> Return Receipt for Merchandise             |
| <input type="checkbox"/> Collect on Delivery                     | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |

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First Class Mail  
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USPS  
Permit No. G-10

9590 9403 0967 5223 6274 02

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box\*

Cimarex Energy Co.,  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
Well Proposal - Cottonberry 20 Fed Corn 4H



SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3.
- ☒ Print your name and address on the reverse so that we can return the card to you.
- ☒ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Description (in)

Gulf Coast Oil and Gas Co  
Attn: Shane Spear  
P.O. Box 1684  
Midland, Texas 79702

9590 9403 0967 5223 6274 02

2. Article Description (on reverse of mailpiece)

91 7199 9991 7035 0924 0501

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
- ☐ Addressee

B. Received by (Print Name)

C. Date of Delivery

8/5/10

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Delivery

USPS TRACKING#



First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

9590 9403 0967 5223 6273 89

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box\*

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
Well Proposal - Cottonberry 20 Fed Com 4H



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. \* Print name, address and ZIP+4®

Kirby, Ratliff, Manning & Greak  
Attn: Nolan Greak  
8008 Slide Road, Suite 30  
Lubbock, Texas 79424-2828

9590 9403 0967 5223 6273 89

2. Attach this card to the back of the mailpiece

91 7199 9991 7033 4311 0459

PS Form 3811, July 2015 PSN 7530-02-000-8063

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x *Michelle S*

- ☐ Agent
- ☐ Addressee

B. Received by (Printed Name)

Michelle Spearman

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
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- ☐ Registered Mail™
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- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

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United States  
Postal Service

\* Sender: Please print your name, address, and ZIP+4® in this box\*

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
Well Proposal - Cottonberry 20 Fed Com 4H



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Klipstine & Harratty  
Attn: James Klipstine, Jr.  
917 Green Acres Dr.  
Hobbs, NM 88240-4531

9590 9403 0967 5223 6273 72

2. Article (Print or type name of service label)

91 7199 9991 7033 4311 0473

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [Signature] ☒ Agent ☒ Addressee

B. Received by (Printed Name)

James Klipstine Jr.

C. Date of Delivery

8-1-16

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

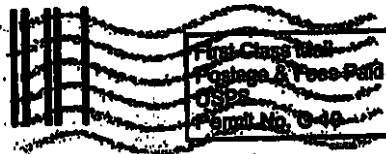
3. Service Type

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- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
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- ☐ Signature Confirmation Restricted Delivery

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USPS TRACKING



9590 9403 0967 5223 6273 41

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box\*

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
Well Proposal - Cottonberry 20 Fed Com 4H



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Nevill Manning  
2112 Indiana Ave  
Lubbock, TX 79410

9590 9403 0967 5223 6273 41

2. Article Description (Please describe item contents briefly)

91 7199 9991 7033 4311 0497

id Delivery

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

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| <input type="checkbox"/> Adult Signature                         | <input type="checkbox"/> Priority Mail Express®                     |
| <input type="checkbox"/> Adult Signature Restricted Delivery     | <input type="checkbox"/> Registered Mail™                           |
| <input type="checkbox"/> Certified Mail®                         | <input type="checkbox"/> Registered Mail Restricted Delivery        |
| <input type="checkbox"/> Certified Mail Restricted Delivery      | <input type="checkbox"/> Return Receipt for Merchandise             |
| <input type="checkbox"/> Collect on Delivery                     | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |

Wells Co.

Arlingfield Street

79701-9925

*over*

91 7199 9991 7035 0924 0518

ID DEPT.

NIXIE

882211023-1N

08/25/16

RETURN TO SENDER  
UNABLE TO FORWARD  
UNABLE TO FORWARD  
RETURN TO SENDER

|||||

MAREX

*Sub 11/25*

Virginia Lee Davis  
P.O. Box 1065  
Carlsbad, NM 88221

*10/16*

*RTS ANK*

*11/16*



DELIVER: COMPLETE THIS SECTION		COMPLETE THIS SECTION IF DELIVERED	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p><b>A. Signature</b></p> <p><b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p>Virginia Lee Davis P.O. Box 1065 Carlsbad, NM 88221</p>		<p><b>B. Received by (Printed Name)</b></p>	<p><b>C. Date of Delivery</b></p>
		<p><b>D. Is delivery address different from item 1?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>2. POSTNET ZIP CODE</p> <p>8580 8409 0967 5223 6274 33</p>		<p><b>3. Service Type</b></p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>91 7199 9991 7035 0924 0518</p>		<p>ad Delivery</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

94 Street

9925

enlee

DEPT.

91 7199 9991 7033 4311 0466

IA

REX

Mary Jo Dickerson  
RR1 Box 846  
Lovington, NM 88260

NIXIE

882602084-1N

08/03/16

RETURN TO SENDER  
INSUFFICIENT ADDRESS  
UNABLE TO FORWARD  
RETURN TO SENDER

RETURN TO SENDER

|||||

KEY RETURN ZIP CODE



**SENDER: COMPLETE THIS SECTION**

- Complete Items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

**1. Article Addressed to:**

Mary Jo Dickerson  
RR1 Box 848  
Lovington, NM 88260

USPS 9408 0857 0420 0614 00

**2. Article Number (Number from carrier label)**

91 7144 9991 7033 4311 0466

**COMPLETE THIS SECTION ON DELIVERY**

**A. Signature**

X

**B. Received by (Printed Name)**

**D. Is delivery address different from Item 1?**

If YES, print delivery address below

**3. Service Type**

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| <input type="checkbox"/> Adult Signature                         | <input type="checkbox"/> Priority Mail Express®                     |
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| <input type="checkbox"/> Collect on Delivery                     | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |

Cimarex Energy Co.  
600 N. Marrenfeld St.  
Suite 600  
Midland, TX 79701  
MAIN 432.571.7800



August 16, 2016

Clarence W. Ervin and Mary I. Ervin  
4016 Jones Street  
Carlsbad, NM 88220

Via USPS Mail

Re: Cottonberry Federal Com 4H Well Proposal  
Township 25 South, Range 27 East, N.M.P.M.  
Section 20: E/2E/2  
Eddy County, New Mexico

Dear Mr. & Mrs. Ervin,

By New Well Proposal Letter dated July 15, 2016, Cimarex proposed to drill the Cottonberry 20 Federal Com 4H ("Cottonberry") well at a legal location in the E/2E/2 of Section 20, Township 25 South, Range 27 East, Eddy County, New Mexico. The intended surface hole location was specified to be 330' FNL & 700' FEL of Section 17, Township 25 South, Range 27 East, Eddy County, New Mexico, and the intended bottom hole location was specified to be 330' FSL & 660' FEL of Section 20, 25 South, Range 27 East, Eddy County, New Mexico.

Please be aware that the SHL of the Cottonberry well was incorrectly stated, and this letter is to notify you that the correct intended SHL of the Cottonberry well is 330' FSL & 700' FEL of Section 17, Township 25 South, Range 27 East, Eddy County, New Mexico. The intended BHL is as referenced above.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Please contact the undersigned directly at (432) 571-7845 if you should have any questions.

Respectfully,

A handwritten signature in cursive script that reads "Jordan Cockrell".

Cimarex Energy Co.  
Jordan Cockrell, Landman

CERTIFIED MAIL

MIDLAND / ODESSA

TX 79

17 AUG 201

02 1P \$ 006.40  
0003207254 AUG 17 2010  
MAILED FROM ZIP CODE 79701

91 7199 9991 7033 4311 0091

NSW  
Mary Jo Dickerson  
RR1 Box 846  
Lovington, New Mexico

NIXIE 750 SE 1 0008/23/16

RETURN TO SENDER  
NO SUCH NUMBER  
UNABLE TO FORWARD

6900169962586

NSN

BC: 79701440550

\*2910-03381-17-39

8826099901 > 4405



NOTE: COMPLETE THIS SECTION

Complete items 1, 2, and 3.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

Mary Jo Dickerson  
RR1 Box 846  
Lovington, New Mexico 88260

9590 9403 0967 5223 6270 82

91 7199 9991 7033 4311 0091

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Actual Delivery

Domestic Return Receipt

CERTIFIED MAIL

MIDLAND / ODESSA  
TX 79721  
17 AUG 2016 PM

91 7199 9991 7033 4311 0152

Virginia Lee Davis  
P.O. Box 1065  
Carlsbad, New Mexico

NIXIE

750 7E 1

0008/23/16

RETURN TO SENDER  
ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD

3300107562308

ANK

BC: 79701440550

\*2910-02328-17-39

9822181065 >4405

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to

Virginia Lee Davis  
P.O. Box 1065  
Carlsbad, New Mexico 88221

9590 9403 0967 5223 6271 67

2. Article Number (Transfer from service label)

91 7199 9991 7033 4311 0152

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

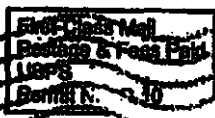
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- ☐ Certified Mail
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express
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- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Delivery

USPS TRACKING#

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9590 9403 0967 5223 6271 05

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box®

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marientfeld, Suite 600  
Midland, Texas 79701  
SHL change - Cottonberry 20 Fed Com 4H



**SENDER: COMPLETE THIS SECTION**

- ☐ Complete items 1, 2, and 3.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Neville Manning  
2112 Indiana Ave  
Lubbock, Texas 79410

9590 9403 0967 5223 6271 05

2. Article Number (Transfer from service label)

91 7199 9991 7033 4311 0114

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Signature]*

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

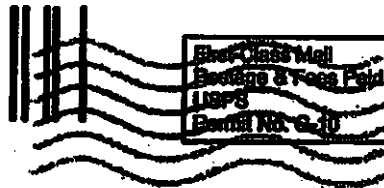
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

ad Delivery

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United States  
Postal Service

\* Sender: Please print your name, address, and ZIP+4® in this box \*

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Madenfeld, Suite 600  
Midland, Texas 79701  
SHL change - Cottonberry 20 Fed Corn 4H



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Klipstine & Hanratty, a Law P:  
Attn: James Klipstine, Jr.  
917 Green Acres Dr.  
Hobbs, New Mexico 88240-41

9590 9403 0967 5223 6271 12

2. Article Number (Transfer from service label)

91 7199 9991 7033 4311 0121

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x *[Signature]*

- ☐ Agent
- ☐ Addressee

B. Received by (Printed Name)

*[Signature]*

C. Date of Delivery

8/20/11

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

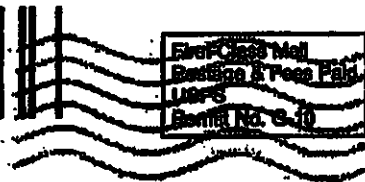
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Delivery



USPS TRACKING#

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United States  
Postal Service

\* Sender: Please print your name, address, and ZIP+4® in this box\*

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marlenfeld, Suite 600  
Midland, Texas 79701  
SHL change - Cottonberry 20 Fed Com 4H



SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kirby, Ratliff, Mannin & Greak  
Attn: Nolan Greak  
8008 Slide Road, Suite 30  
Lubbock, Texas 79424-2828

9590 9403 0967 5223 6270 68

2. Article Number (Transfer from service label)

91 7199 9991 7033 4311 0077

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Michelle Spearman* ☐ Agent ☐ Addressee

B. Received by (Printed Name)

Michelle Spearman

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

- |  |   |
|--|---|
| <input type="checkbox"/> Adult Signature                         | <input type="checkbox"/> Priority Mail Express®                     |
| <input type="checkbox"/> Adult Signature Restricted Delivery     | <input type="checkbox"/> Registered Mail™                           |
| <input type="checkbox"/> Certified Mail®                         | <input type="checkbox"/> Registered Mail Restricted Delivery        |
| <input type="checkbox"/> Certified Mail Restricted Delivery      | <input type="checkbox"/> Return Receipt for Merchandise             |
| <input type="checkbox"/> Collect on Delivery                     | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |

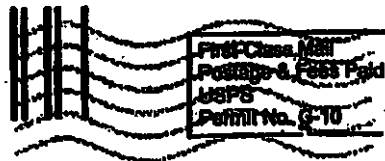
ed Delivery

USPS TRACKING®

POSTAGE ADDRESS

2 T

PM



9590 9403 0967 5223 6270 51

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box®

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
SHL change - Cottonberry 20 Fed Com 4H



SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Gulf Coast Oil and Gas Co  
Attn: Shane Spear  
P.O. Box 1684  
Midland, Texas 79702

9580 9403 0967 5223 6270 51

2. Article Number (Transfer from service label)

91 7199 9991 7033 4311 0060

COMPLETE THIS SECTION ON DELIVERY

A. Signature

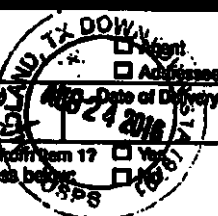
X *h Spear*

B. Received by (Printed Name)

*Nancy Spear*

D. Is delivery address different from Item 1?

If YES, enter delivery address below:



3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

USPS TRACKING®

MIDLAND, TX 79701

First Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-18

9590 9403 0967 5223 6270 75

United States  
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•

Cimarex Energy Co.  
Attn: Kaimi Brownlee  
600 N. Marienfeld, Suite 600  
Midland, Texas 79701  
SHL change - Cottonberry 20 Fed Corn 4H



## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

Clarence W. Ervin and Mary  
4016 Jones Street  
Carlsbad, New Mexico 88220

9590 9403 0967 5223 6270 75

## 2. Article Number (Transfer from service label)

91 7199 9991 7033 4311 0084

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

X CW

☐ Agent☐ Addressee

## B. Received by (Printed Name)

## C. Date of Delivery

8-19

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

## 3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation®
- ☐ Signature Confirmation Restricted Delivery

ed Delivery

PS Form 3811, July 2015 PSN 7530-02-000-6063

Domestic Return Receipt



## Authorization For Expenditure

Company Entity

CIMAREX ENERGY CO

Date Prepared

07/18/2016

Region	Well Name	Prospect or Field Name	Property Number	Drilling AFE No.
Permian Basin	COTTONBERRY 20 FEDERAL COM 4H	CARLSBAD BONE SPRING PROSPECT	300001-043.01	2616017

Location	County	State	Type Well
Section 20, Township 25 South, Range 27 East, Eddy County, New Mexico	Eddy	NM	Oil <input checked="" type="checkbox"/> Expl <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Prod <input type="checkbox"/>

Estimate Type		Est. Start Date	Est. Comp Date	Formation	Td Measured Depth
Original Estimate	X	09/01/2016	11/01/2016	2nd Bone Spring	13,017'
Revised Estimate					Td Vertical Depth
Supplemental Estimate					7,322'

### Project Description

Drill and complete a horizontal test. Drill to 450' set surface casing. Drill to 2031' set intermediate casing. Drill to 6845' (KOP). Run OH Logs. Drill curve at 12°/100' initial build rate to +/- 90 degrees and 7320' TVD and drill a +/- 4670' long lateral in the bone spring formation. Run and cement production casing. Stage frac in 20 stages. Drill out plugs. Run production packer, tubing and GLVs.

Intangibles	Dry Hole Cost	After Casing Point	Completed Well Cost
Drilling Costs	\$1,419,500		\$1,419,500
Completion Costs		\$2,248,050	\$2,248,050
Total Intangible Costs	\$1,419,500	\$2,248,050	\$3,667,550

Tangibles			
Well Equipment	\$86,000	\$293,000	\$379,000
Lease Equipment		\$314,200	\$314,200
Total Tangible Well Cost	\$86,000	\$607,200	\$693,200

Plug and Abandon Cost	\$0	\$0	\$0
Total Well Cost	\$1,505,500	\$2,855,250	\$4,360,750

### Comments on Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

☐ I elect to purchase my own well control insurance policy.

Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$1,000,000 (100% W.I.) deductible.

### Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

☐ I elect to take my gas in kind.

☐ I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.