| Form 3160-3 (June 2015) HORE THE INITED STATES DEPARTMENT OF THE IN BUREAU OF LAND MANA | | | FORM API OMB No. 10 Expires: Janua | 004-0137 |
|--|--|---------------------|---|---|
| LINITED STATES | | | | |
| DEPARTMENT OF THE IN | 5. Lease Serial No. NMNM126065 | | | |
| APPLICATION FOR PERMIT TO DE | 6. If Indian, Allotee or 7 | Tribe Name | | |
| R | | | | |
| 1a. Type of work: | 7. If Unit or CA Agreen | nent, Name and No. | | |
| 1b. Type of Well: Oil Well Gas Well Oth | | | 8. Lease Name and Wel | I No. |
| 1c. Type of Completion: Hydraulic Fracturing | gle Zone Multiple Zone | | RED TANK 4 FEDER 58H 326 10 | |
| 2. Name of Operator CIMAREX ENERGY COMPANY (214999) | | <u> </u> | 9. API-Well No. | 46358 |
| | 3b. Phone No. <i>(include area co</i> (432)620-1936 | ode) | 10, Field and Pool, or E BONE SPRING / WIL | • |
| 4. Location of Well (Report location clearly and in accordance w | | < | 11. Sec., T. R. M. or BI | |
| 4. Location of wen (kepor location clearly and in accordance w At surface SWSW / 432 FSL / 270 FWL / LAT 32.32754 | | \bigcap | SEC 4 / 1235 / R32E | |
| At proposed prod. zone LOT 4 / 100 FNL / 638 FWL / LA | | 36122 | | |
| 14. Distance in miles and direction from nearest town or post office 32 miles | | <u>a.t</u> | 12. County or Parish LEA | 13. State NM |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | 16. No of acres in lease | 17. Spaci 159.48 | ing Unit dedicated to this | well |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 20 feet | 19. Proposed Depth 9524 feet / 14071 feet | 1/ | /BIA Bond No. in file MB001188 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3630 feet | 22. Approximate date work wi 06/01/2019 | ill start* | 23. Estimated duration 30 days | |
| | 24. Attachments | | | |
| The following, completed in accordance with the requirements of (as applicable) | Onshore Oil and Gas Order No | . 1, and the l | Hydraulic Fracturing rule | per 43 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 System SUPO must be filed with the appropriate Forest Service Office) | Item 20 above Lands, the 5. Operator certi |). fication. | ns unless covered by an ex | |
| 25. Signature (Electronic Submission) | Name (Printed/Typed) Aricka Easterling / Ph: | (918)560-7 | | nte 1/07/2018 |
| Title Regulatory Analyst | | | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) Cody Layton / Ph: (57) | 5)234-5959 | | ate 7/31/2019 |
| Title Assistant Field Manager Lands & Minerals | Office CARLSBAD | | | |
| Application approval does not warrant or certify that the applicant applicant to conduct operations thereon. Conditions of approval, if any, are attached. | holds legal or equitable title to | those rights | in the subject lease whic | h would entitle the |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m of the United States any false, fictitious or fraudulent statements of | | | | department or agency |
| 6CP Rec 09/11/19 | | | 1/2 | 1.9 |

(Continued on page 2)



KZ /m/19

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*(Instructions on page 2)

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.

NOTICES

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.S.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.

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Additional Operator Remarks

Location of Well

SHL: SWSW / 432 FSL / 270 FWL / TWSP: 23S / RANGE: 32E / SECTION: 4 / LAT: 32.327546 / LONG: -103.687302 (TVD: 0 feet)
 PPP: SWSW / 432 FSL / 638 FWL / TWSP: 23S / RANGE: 32E / SECTION: 4 / LAT: 32.327546 / LONG: -103.6861014 (TWD: 9050 feet, MD: 9067 feet)
 BHL: LOT 4 / 100 FNL / 638 FWL / TWSP: 23S / RANGE: 32E / SECTION: 4 / LAT: 32.340554 / LONG: -103.686122 (TVD: 95244feet, MD: 14071 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.

Application for Permit to Drill

APD Package Report

APD ID: 10400035746 APD Received Date: 11/07/2018 08:31 AM Operator: CIMAREX ENERGY COMPANY Date Printed: 09/09/2019 10:31 AM

U.S. Department of the Interior

Bureau of Land Management

Well Status: AAPD Well Name: RED TANK 4 FEDERAL Well Number: 58H

APD Package Report Contents

- Form 3160-3
- Operator Certification Report
- Application Report
- Application Attachments
 - -- Well Plat: 1 file(s)
- Drilling Plan Report
- Drilling Plan Attachments
 - -- Blowout Prevention Choke Diagram Attachment: 2 file(s)
 - -- Blowout Prevention BOP Diagram Attachment: 2 file(s)
 - -- Casing Spec Documents: 1 file(s)
 - -- Casing Design Assumptions and Worksheet(s): 4file(s)
 - -- Hydrogen sulfide drilling operations plan: 1 file(s)
 - -- Proposed horizontal/directional/multi-lateral plan submission: 2 file(s)
 - -- Other Facets: 3 file(s)
 - -- Other Variances: 2 file

- SUPO Report

- SUPO Attachments
 - -- Existing Road Map: 1 file(s)
 - -- New Road Map: 2 file(s)
 - -- Attach Well maps 1 file(s)
 - -- Production Facilities map: 2 file(s)
 - -- Water source and transportation map: 1 file(s)
 - -- Well Site Layout Diagram: 1 file(s)
 - -- Recontouring attachment: 1 file(s)
 - -- Other SUPO Attachment: 12 file(s)
- PWD Report
- PWD Attachments
 - -- None

- Bond Report - Bond Attachments

:

-- None

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| OPERATOR'S NAME: | CIMAREX ENERGY COMPANY |
|------------------------------|------------------------------------|
| LEASE NO.: | NMNM126065 |
| WELL NAME & NO.: | RED TANK 4 FEDERAL 58H |
| SURFACE HOLE FOOTAGE: | 432' FSL & 270' FWL |
| BOTTOM HOLE FOOTAGE | 100' FNL & 638' FWL |
| LOCATION: | Section 4, T. 23 S., R 32 E., NMPM |
| COUNTY: | Lea County, New Mexico |

COA

| H2S | • Yes | C No | |
|----------------------|------------------|------------------|---------------------|
| Potash | None None | C Secretary | C R-111-P |
| Cave/Karst Potential | C Low | | High |
| Variance | C None | Flex Hose | C Other |
| Wellhead | Conventional | Multibowl | C Both |
| Other | ☐ 4 String Area | Capitan Reef | F WIPP |
| Other | Fluid Filled | ☐ Cement Squeeze | F Pilot Hole |
| Special Requirements | ✓ Water Disposal | ГСОМ | U nit |

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delaware** formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

- 1. The 13-3/8 inch surface casing shall be set at approximately _ feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface. Excess Cement calculates to 21%, additional cement might 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 will be a minimum of $\underline{8}$ hours or 500 pounds compressive strength, whichever is greater. (This is to

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include the lead cement)

- 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.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 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.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. Excess Cement calculates to 16%, additional cement might be required.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** 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. 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.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

JJP06282019

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GENERAL 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)
 - Chaves and Roosevelt Counties Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201. During office hours call (575) 627-0272. After office hours call (575)
 - Eddy County Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 1. 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.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. 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 are located, this does not include the dog house or stairway area.

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3. 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.

A. CASING

- 1. 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.
- <u>Wait on cement (WOC) for Potash Areas:</u> 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 for all cement blends, 2) until cement has been in place at least <u>24</u> hours. WOC time will be recorded in the driller's log.
- <u>Wait on cement (WOC) for Water Basin:</u> 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.
- 4. 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.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. 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.

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8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. 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 RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: 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.
- 3. 5M or higher 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.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - 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. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - 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.
- 5. The appropriate BLM office shall be notified a minimum of 4 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

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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).

- b. In potash areas, 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. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. 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.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. 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.
- g. 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.
- h. 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.

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C. 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.

D. 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

Red Tank 4 57H:

Surface Hole Location: 432' FSL & 290' FWL, Section 4, T. 23 S., R. 32 E. Bottom Hole Location: 100' FNL & 946' FWL, Section 4, T. 23 S., R. 32 E.

Red Tank 4 58H:

Surface Hole Location: 432' FSL & 270' FWL, Section 4, T. 23 S., R. 32 E. Bottom Hole Location: 100' FNL & 638' FWL, Section 4, T. 23 S., R. 32 E.

Red Tank 4 59H:

Surface Hole Location: 432' FNL & 250' FWL, Section 4, T. 23 S., R. 32 E. Bottom Hole Location: 100' FNL & 946' FWL, Section 4, T. 28 S., R. 32 E.

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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.

;

| General Provisions |
|---|
| Permit Expiration |
| Archaeology, Paleontology, and Historical Sites |
| Noxious Weeds |
| Special Requirements |
| Lesser Prairie-Chicken Timing Stipulations |
| Ground-level Abandoned Well Marker |
| Hydrology |
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| Notification |
| Topsoil |
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| Federal Mineral Material Pits |
| Well Pads |
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| Road Section Diagram |
| Production (Post Drilling) |
| Well Structures & Facilities |
| 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)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

<u>**Ground-level Abandoned Well Marker to avoid raptor perching**</u>: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

Hydrology:

The entire well pad(s) 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 with impermeable mineral material (e.g. caliche). 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 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 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. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. 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.

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 $1\frac{1}{2}$ 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.

When crossing ephemeral drainages the pipeline(s) will be buried to a minimum depth of 48 inches from the top of pipe to ground level. Erosion control methods such as gabions and/or rock aprons should be placed on both up and downstream sides of the pipeline crossing. In addition, curled (weed free) wood/straw fiber wattles/logs and/or silt fences

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should be placed on the downstream side for sediment control during construction and maintained until soils and vegetation have stabilized. Water bars should be placed within the ROW to divert and dissipate surface runoff. A pipeline access road is not permitted to cross these ephemeral drainages. Traffic should be diverted to a preexisting route. Additional seeding may be required in floodplains and drainages to restore energy dissipating vegetation.

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.

Any water erosion that may occur due to the construction of overhead electric line and during the life of the power line will be quickly corrected and proper measures will be taken to prevent future erosion. A power pole should not be placed in drainages, playas, wetlands, riparian areas, or floodplains and must span across the features at a distance away that would not promote further erosion.

Temporary Fresh Water Frac Line: once the temporary use exceeds the timeline of 180 days and/or with a 90 day extension status; further analysis will be required if the applicant pursues to turn the temporary ROW into a permanent ROW.

:

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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.

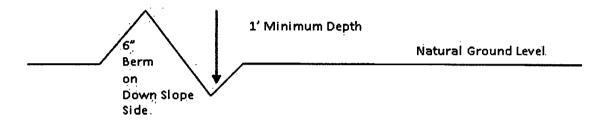
Drainage

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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.

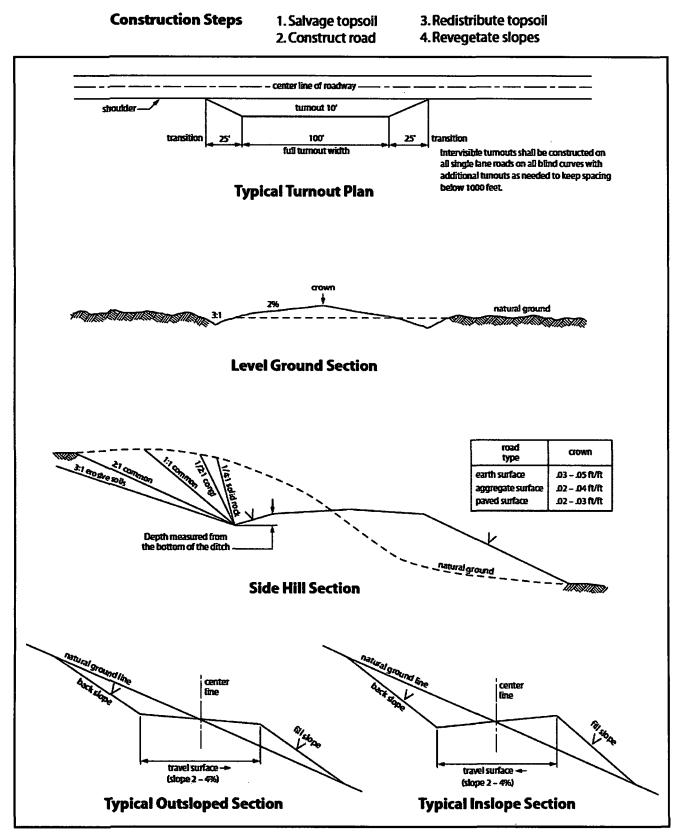
Fence Requirement

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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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 $1 \frac{1}{2}$ 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. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION 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.

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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 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

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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.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

VIII. INTERIM RECLAMATION

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.

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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).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

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Seed Mixture for LPC Sand/Shinnery 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 <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall 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 will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/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 will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. 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 Bristlegrass | 5lbs/A |
| Sand Bluestem | 5lbs/A |
| Little Bluestem | 3lbs/A |
| Big Bluestem | 6lbs/A |
| Plains Coreopsis | 2lbs/A |
| Sand Dropseed | 11bs/A |
| | |

*Pounds of pure live seed:

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

Page 15 of 15



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.

perator Certification Data Report

09/09/2019

| NAME: Aricka Easterling | 3 | Signed on: 11/07/2018 |
|--------------------------|------------------------|-----------------------|
| Title: Regulatory Analys | t | |
| Street Address: 202 S. | Cheyenne Ave, Ste 1000 | |
| City: Tulsa | State: OK | Zip: 74103 |
| Phone: (918)560-7060 | | |
| Email address: regulate | ory@cimarex.com | |
| Field Represe | entative | |
| Representative Name: | | |
| Street Address: | | · · |
| City: | State: | Zip: |
| Phone: | | |
| Email address: | | |

AFMSS

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

Zip: 79701

APD ID: 10400035746

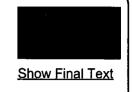
Operator Name: CIMAREX ENERGY COMPANY

Well Name: RED TANK 4 FEDERAL

Well Type: OIL WELL

Well Number: 58H Well Work Type: Drill

Submission Date: 11/07/2018



09/09/2019

| Section 1 - General | | |
|------------------------------------|----------------------------------|-------------------------------------|
| APD ID: 10400035746 | Tie to previous NOS? Y | Submission Date: 11/07/2018 |
| BLM Office: CARLSBAD | User: Aricka Easterling | Title: Regulatory Analyst |
| Federal/Indian APD: FED | Is the first lease penetrated fo | r production Federal or Indian? FED |
| Lease number: NMNM126065 | Lease Acres: 677.94 | |
| Surface access agreement in place? | Allotted? Res | servation: |
| Agreement in place? NO | Federal or Indian agreement: | |
| Agreement number: | | |
| Agreement name: | | |
| Keep application confidential? YES | | |
| Permitting Agent? NO | APD Operator: CIMAREX ENE | RGY COMPANY |
| Operator letter 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: TX

Operator Phone: (432)620-1936

Operator Internet Address: tstathem@cimarex.com

Section 2 - Well Information

Well in Master Development Plan? NO **Master Development Plan name:** Well in Master SUPO? NO Master SUPO name: Well in Master Drilling Plan? NO Master Drilling Plan name: Well Name: RED TANK 4 FEDERAL Well Number: 58H Well API Number: Field/Pool or Exploratory? Field and Pool Field Name: BONE SPRING Pool Name: WILDCAT; BONE SPRING, S

Is the proposed well in an area containing other mineral resources? [ISEAR] E M/ATED

| Operator Name: CIMAREX ENERGY COMPANY | |
|---------------------------------------|--|
| Well Name: RED TANK 4 FEDERAL | |

Well Number: 58H

Is the proposed well in an area containing other mineral resources? USEABLE WATER

;

| Is the proposed well in a Helium produc | ction area? N | Use Existing Well Pad? YES | New surface disturbance? Y |
|---|----------------|-------------------------------------|----------------------------|
| Type of Well Pad: MULTIPLE WELL | | Multiple Well Pad Name: RE | D Number: W2W2 PAD |
| Well Class: HORIZONTAL | | TANK 4 FEDERAL Number of Legs: 1 | |
| Well Work Type: Drill | | | |
| Well Type: OIL WELL | | | |
| Describe Well Type: | | | |
| Well sub-Type: INFILL | | - | |
| Describe sub-type: | | | |
| Distance to town: 32 Miles | Distance to ne | earest well: 20 FT Dist | ance to lease line: 432 FT |
| Reservoir well spacing assigned acres | Measurement | : 159.48 Acres | |
| Well plat: Red_Tank_4_Fed_58H_C10 | 02_Plat_20181 | 030124103.pdf | |
| Weil work start Date: 06/01/2019 | | Duration: 30 DAYS | |

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Survey number:

Vertical Datum: NAVD88

Reference Datum:

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | DM | TVD |
|------------------|---------|--------------|---------|--------------|------|-------|---------|---------------------|---------------|---------------------|--------|-------------------|-------------------|------------|----------------|-----------------|----------|----------|
| SHL Leg #1 | 432 | FSL | 270 | FWL | 23S | 32E | 4 | Aliquot SWS W | 32.32754 6 | - 103.6873 02 | LEA | | NEW MEXI CO | F | NMNM 126065 | 363 0 | 0 | 0 |
| KOP Leg #1 | 432 | FSL | 638 | FWL | 23S | 32E | 4 | Aliquot SWS W | 32.32754 6 | - 103.6861 11 | LEA | | NEW MEXI CO | F | NMNM 126065 | - 541 6 ; | 906 3 | 904 6 |
| PPP Leg #1 | 432 | FSL | 638 | FWL | 23S | 32E | 4 | Aliquot SWS W | 32.32754 6 | - 103.6861 11 | LEA | NEW MEXI CO | | F | NMNM 126065 | - 542 0 | 1 | 905 0 |

.

Operator Name: CIMAREX ENERGY COMPANY Well Name: RED TANK 4 FEDERAL

Well Number: 58H

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | DIM | TVD |
|-------------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|---------------|---------------------|--------|-------------------|-------------------|------------|----------------|---------------|-----|----------|
| EXIT Leg #1 | 100 | FNL | 638 | FWL | 23S | 32E | 4 | Lot 4 | 32.34055 4 | - 103.6861 22 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 126065 | - 589 4 | | 952 4 |
| BHL Leg #1 | 100 | FNL | 638 | FWL | 23S | 32E | 4 | Lot 4 | 32.34055 4 | - 103.6861 22 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 126065 | - 589 4 | | 952 4 |

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AFMSS

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

Drilling Plan Data Report

09/09/2019

APD ID: 10400035746

Submission Date: 11/07/2018

Operator Name: CIMAREX ENERGY COMPANY

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

| Formation | Formation Nome | Elevation | True Vertical | | lithele vice | Mineral Deserves | Producing |
|----------------|---------------------------|-----------|---------------|--------------|--|------------------------------------|-----------|
| <u>ID</u> 1 | Formation Name RUSTLER | 3645 | Depth 977 | Depth 977 | Lithologies | Mineral Resources USEABLE WATER | N. |
| 2 | CASTILE | 223 | 3422 | 3422 | <u>. </u> | NONE | N |
| 3 | LAMAR | -982 | 4627 | 4627 | | NONE | N |
| 4 | BELL CANYON | -1028 | 4673 | 4673 | | NONE | N |
| 5 | CHERRY CANYON | -2014 | 5659 | 5659 | | NONE | N |
| 6 | BRUSHY CANYON | -3189 | 6834 | 6834 | | NATURAL GAS,OIL | N |
| 7 | BONE SPRING | -4921 | 8566 | 8566 | | NATURAL GAS,OIL | Y |
| 8 | BONE SPRING 1ST | -6076 | 9721 | 9721 | | NATURAL GAS,OIL | N |
| 9 | BONE SPRING 2ND | -6713 | 10358 | 10358 | | NATURAL GAS,OIL | N |
| 10 | BONE SPRING 3RD | -7886 | 11531 | 11531 | | OIL | N |
| 11 | WOLFCAMP | -8258 | 11903 | 11903 | • | NATURAL GAS,OIL | N |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 4653

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"

Operator Name: CIMAREX ENERGY COMPANY

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

pressure tested to 250 psi low followed by a 3000 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 3000 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:**

Red_Tank_4_Fed_58H_Choke_2M3M_20181102094727.pdf

BOP Diagram Attachment:

Red_Tank_4_Fed_58H_BOP_2M_20181102094737.pdf

Pressure Rating (PSI): 3M

Rating Depth: 14071

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 3000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 3000 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 3000 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:

Red_Tank_4_Fed_58H_Choke_2M3M_20181102094800.pdf

BOP Diagram Attachment:

Red_Tank_4_Fed_58H_BOP_3M_20181102094809.pdf

Operator Name: CIMAREX ENERGY COMPANY

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

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 | 1027 | 0 | 1027 | 0 | 1027 | 1027 | H-40 | 48 | ST&C | 1.57 | 3.68 | BUOY | 6.53 | BUOY | 6.53 |
| | | 12.2 5 | 9.625 | NEW | API | N | 0 | 4653 | 0 | 4653 | 0 | | 4653 | J-55 | 40 | LT&C | 1•53 | 1.6 | BUOY | 2.79 | BUOY | 2.79 |
| | PRODUCTI ON | 8.75 | 5.5 | NEW | AP1 | N | 0 | 9063 | 0 | 9063 | 0 | 9063 | 9063 | L-80 | 17 | LT&C | 1.49 | 1.82 | BUOY | 2.09 | BUOY | 2.09 |
| | PRODUCTI ON | 8.75 | 5.5 | NEW | API | N | 9063 | 14071 | 9063 | 9524 | 9063 | 14071 | 5008 | L-80 | 17 | BUTT | 1.41 | 1.74 | BUOY | 50.6 6 | BUOY | 50.6 6 |

Casing Attachments

Casing ID: 1 String Type:SURFACE

Inspection Document:

Spec Document:

Red_Tank_4_Fed_58H_Spec_Sheet_for_H40Hybrid_surf_casing_20181102094839.pdf

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Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Tank_4_Fed_58H_Casing_Assumptions_20181102094915.pdf

| Operator Name: CIMAF | REX ENERGY COMPANY |
|-----------------------------|--------------------|
|-----------------------------|--------------------|

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Tank_4_Fed_58H_Casing_Assumptions_20181102095010.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Tank_4_Fed_58H_Casing_Assumptions_20181102095106.pdf

Casing ID: 4 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Tank_4_Fed_58H_Casing_Assumptions_20181102095324.pdf

Section 4 - Cement

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

| F 11 | | | | | | | | | | | |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|---------------|---|
| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
| SURFACE | Lead | | 0 | 1027 | 498 | 1.72 | 13.5 | 855 | 50 | Class C | Bentonite |
| SURFACE | Tail | | 0 | 1027 | 133 | 1.34 | 14.8 | 178 | 25 | Class C | LCM |
| INTERMEDIATE | Lead | | 0 | 4653 | 880 | 1.88 | 12.9 | 1653 | 50 | 35:65 (Poz;C) | Salt, Bentonite |
| INTERMEDIATE | Tail | | 0 | 4653 | 272 | 1.34 | 14.8 | 364 | 25 | Class C | LCM |
| PRODUCTION | Lead | | 0 | 9063 | 397 | 3.64 | 10.3 | 1445 | 25 | Tuned Light | LCM |
| PRODUCTION | Tail | | 0 | 9063 | 1071 | 1.3 | 14.2 | 1392 | 10 | 50:50 (Poz:H) | Salt, Bentonite, Fluid Loss, Dispersant, SMS |
| PRODUCTION | Lead | | 9063 | 1407 1 | 397 | 3.64 | 10.3 | 1445 | 25 | Tuned Light | LCM |
| PRODUCTION | Tail | | 9063 | 1407 1 | 1070 | 1.3 | 14.2 | 1392 | 10 | 50:50 (Poz:H) | Salt, Bentonite, Fluid Loss, Dispersant, SMS |

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

| | Circ | ulating Mediu | um Ta | able | | | | | | | |
|-----------|--------------|---------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| Top Depth | Bottom Depth | Mud Type | Min Weight (Ibs/gal) | Max Weight (Ibs/gal) | Density (Ibs/cu ft) | Gel Strength (lbs/100 sqft) | Hd | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
| n | 1027 | | 63 | ΩΩ | | | | | | | |

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

| Top Depth | Bottom Depth | Mud Type | Min Weight (Ibs/gal) | Max Weight (Ibs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | Н | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|-------------------------|----------------------|----------------------|---------------------|-----------------------------|---|----------------|----------------|-----------------|----------------------------|
| 1027 | 4653 | SALT SATURATED | 9.7 | 10.2 | | | | | | | |
| 4653 | 1407 1 | OTHER : FW/Cut Brine | 8.5 | 9 | | | | | | | |

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

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4457

Anticipated Surface Pressure: 2361.71

Anticipated Bottom Hole Temperature(F): 166

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:

Red_Tank_4_Fed_58H_H2S_Plan_20181030124557.pdf

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Red_Tank_4_Fed_58H_AC_Report_20181030124642.pdf Red_Tank_4_Fed_58H_Directional_Plan_20181030124643.pdf

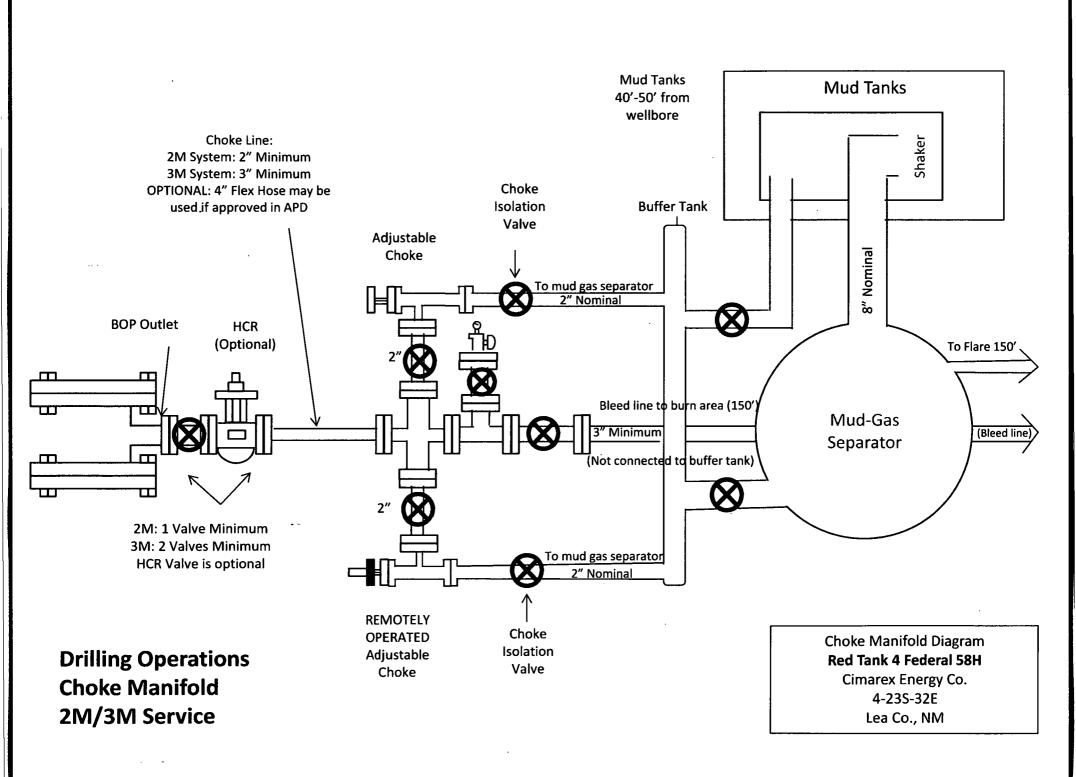
Other proposed operations facets description:

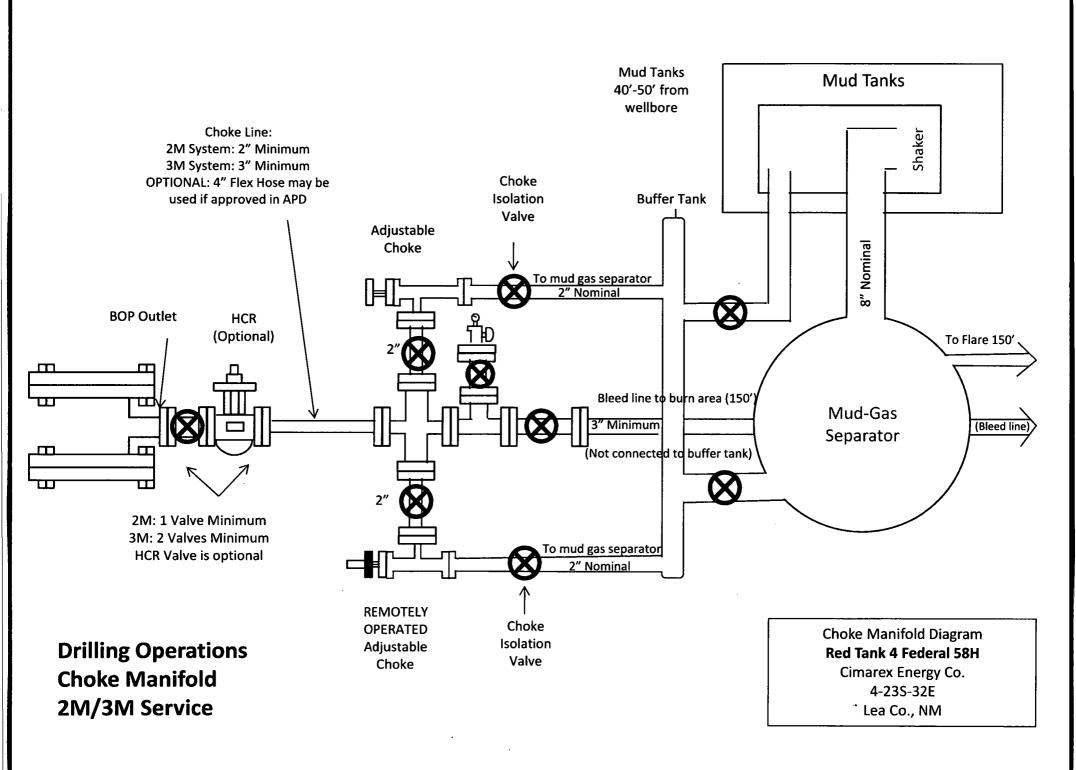
Other proposed operations facets attachment:

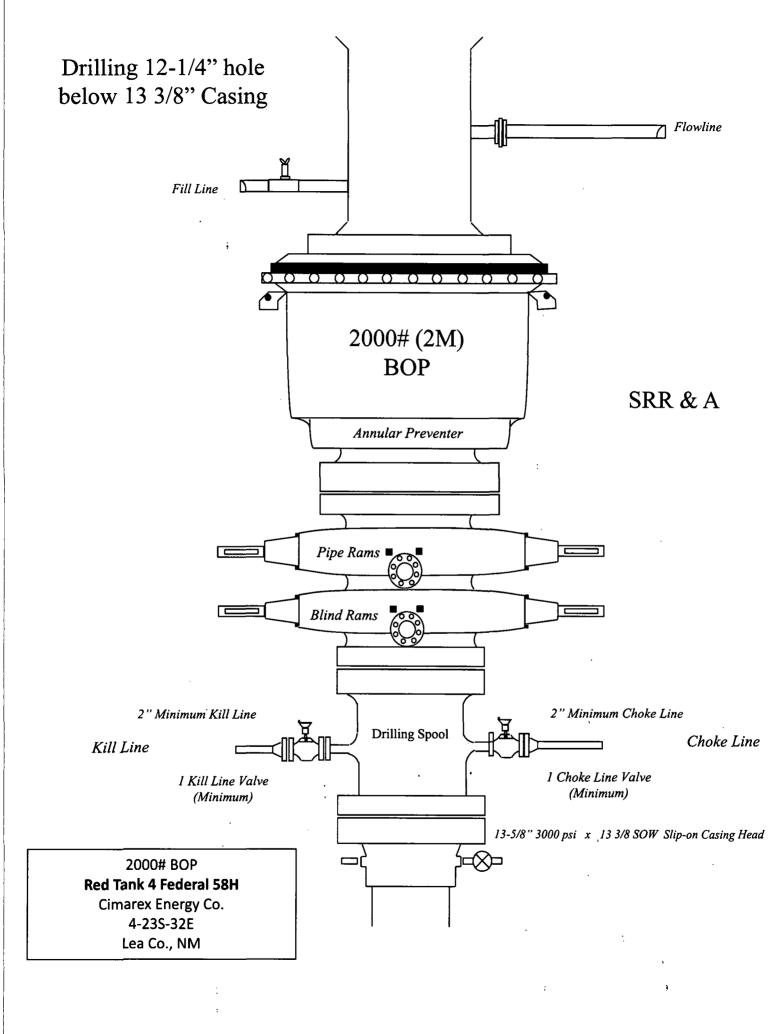
Red_Tank_4_Fed_58H_Flex_Hose_20181030130054.pdf Red_Tank_4_Fed_58H_Gas_Capture_Plan_20181030130056.pdf Red_Tank_4_Fed_58H_Drilling_Plan_20181102095920.pdf

Other Variance attachment:

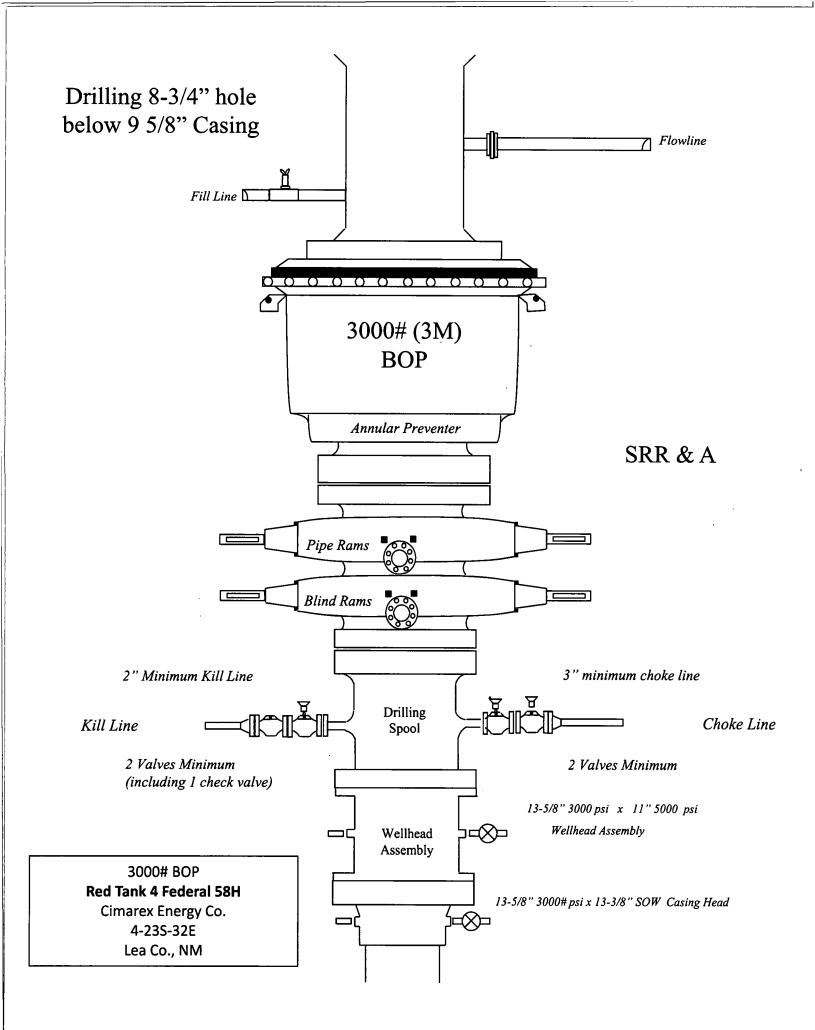
Red_Tank_4_Fed_58H_Multibowl_Procedure_20181030130111.pdf Red_Tank_4_Fed_58H_Multibowl_Wellhead_20181030130112.pdf







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OCTG Performance Data

Red Tank 4 Federal 58H Surface Casing Spec Sheet

Casing Performance

| · · · · · · · · · · · · · · · · · | | | |
|--|---|---|---|
| | | Availability: ERW | • |
| Pipe Body Geometi | гу | | |
| 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 Perform | ance | | |
| Grade: Pipe Body Yield Strer | H40 ngth: 541000 lbf | Collapse Strength (ERW): Collapse Strength (SMLS): | 740 psi - |

SC Connection

| Connection Geo | ometry | | | |
|------------------|-------------|-----------------------|-----------------------|-----------------------|
| Make Up Torque | : | Optimum 3220 lb∙ft | Minimum 2420 lb•ft | Maximum 4030 lb∙ft |
| Coupling Outside | e Diameter: | 14.375 in | | |
| Connection Per | formance | | | |
| Grade: | H40 | Minimum Inter | nal Yield Pressure: | 1730 psi |
| Joint Strength: | 322000 lbf | | | |

LC Connection

| Connection Geometry | | | | |
|----------------------------|-----------|--------------|--------------|--|
| Make Up Torque: | Optimum | Minimum - | Maximum - | |
| Coupling Outside Diameter: | 14.375 in | | | |
| Connection Performance | | | | |

| Grade: | H40 | Minimum Internal Yield Pressure: | - |
|-----------------|-----|----------------------------------|---|
| Joint Strength: | - | | |

BC Connection

| Connection | Geometry | | | |
|-------------|-----------------|-----------|---------|---------|
| | | Optimum | Minimum | Maximum |
| Make Up Tor | que: | - | - | - |
| Coupling Ou | tside Diameter: | 14.375 in | | |
| Connection | Performance | | | |
| | 1140 | | | |

Grade: H40 Minimum Internal Yield Pressure: -Joint Strength: -

PE Connection

Connection Geometry

| Make Up Torque: | | Optimum - | Minimum - | Maximum - | | |
|------------------|----------|---------------|---------------------|--------------|--|--|
| Coupling Outside | | 14.375 in | | | | |
| Connection Per | formance | | | | | |
| Grade: | H40 | Minimum Inter | nal Yield Pressure: | 1730 psi | | |
| Joint Strength: | - | | | | | |
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10/16/2017 www.evrazna.com/Products/OilCountryTubularGoods/tabid/101/OctgPerfDataPrint.aspx?Type=cas&Size=13.375 in&Wall=48.00 lb/ft&Grade=...

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Casing Program

| Hole Size | Casing Depth From | | Setting Depth TVD | Casing Size | Weight ([b/ft) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|--------------|----------------------|-------|----------------------|----------------|-------------------|---------------------|-------------|-------------|----------|--------------------|
| 17 1/2 | 0 | 1027 | 1027 | 13-3/8" | 48.00 | H-40/J-55 Hybrid | ST&C | 1.57 | 3.68 | 6.53 |
| 12 1/4 | 0 | 4653 | 4653 | 9-5/8 * | 40.00 | J-55 | LT&C | 1.53 | 1.60 | 27 9 |
| 8 3/4 | 0 | 9063 | 9063 | 5-1/2" | 17.00 | L-80 | LT&C | 1.48 | 1.82 | 2.09 |
| 8 3/4 | 9063 | 14071 | 9524 | 5-1/2 * | 17.00 | L-80 | BT&C | 1,41 | . 1.74 | 50.66 |
| | | | | | BLM | Minimum Sa | fety 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 IILB.1.h

Casing Program

| Hole Size | Casing Depth From | Casing Depth To | Setting Depth TVD | Casing Size | Weight (lb/ft) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|--------------|----------------------|--------------------|----------------------|----------------|-------------------|---------------------|--------------|-------------|----------|--------------------|
| 17 1/2 | 0 | 1027 | 1027 | 13-3/8* | 48.00 | H-40/J-55 Hybrid | ST&C | 1.57 | 3.68 | 6.53 |
| 12 1/4 | 0 | 4653 | 4653 | 9-5/8 * | 40.00 | J-55 | LT&C | 1.53 | 1.60 | 2.79 |
| 8 3/4 | 0 | 9063 | 9063 | 5-1/2 * | 17.00 | L-80 | LT&C | 1.48 | 1.82 | 2.09 |
| 8 3/4 | 9063 | 14071 | 9524 | 5-1/2* | 17.00 | L-80 | BT&C | 1.41 | 1.74 | 50.66 |
| | | | | | BLM | Minimum Sa | ifety 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 IILB.1.h

Casing Program

| Hole Size | Casing Depth From | Casing Depth To | Setting Depth TVD | Casing Size | Weight (lb/ft) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|--------------|----------------------|--------------------|----------------------|----------------|-------------------|---------------------|--------------|-------------|----------|--------------------|
| 17 1/2 | 0 | 1027 | 1027 | 13-3/8" | 48.00 | H-40/J-55 Hybrid | ST&C | 1.57 | 3.68 | 6.53 |
| 12 1/4 | 0 | 4653 | 4653 | 9-5/8 * | 40.00 | J-55 | LT&C | 1.53 | 1.60 | 2.79 |
| 8 3/4 | 0 | 9063 | 9063 | 5-1/2" | 17.00 | L-80 | LT&C | 1.48 | 1.82 | 2.09 |
| 8 3/4 | 9063 | 14071 | 9524 | 5-1/2" | 17.00 | L-80 | BT&C | 1.41 | 1.74 | 50.66 |
| <u> </u> | a | | • | | 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 IILB.1.h

Casing Program

| Hole Size | Casing Depth From | | Setting Depth TVD | Casing Size | Weight (lb/ft) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|--------------|----------------------|-------|----------------------|----------------|-------------------|---------------------|-------------|-------------|----------|--------------------|
| 17 1/2 | 0 | 1027 | 1027 | 13-3/8" | | H-40/J-55 Hybrid | ST&C | 1.57 | 3.68 | 6.53 |
| 12 1/4 | 0 | 4653 | 4653 | 9-5/8 * | 40.00 | J-55 | LT&C | 1.53 | 1.60 | 2.79 |
| 8 3/4 | 0 | 9063 | 9063 | 5-1/2" | 17.00 | L-80 | LT&C | 1.48 | 1.82 | 2.09 |
| 8 3/4 | 9063 | 14071 | 9524 | 5-1/2* | 17.00 | L-80 | BT&C | 1,41 | 1.74 | 50.66 |
| | • | | | . | BLM | Minimum Sa | fety Factor | 1.125 | 1 | 1.6 Dry 1.8 Wet |

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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

Hydrogen Sulfide Drilling Operations Plan **Red Tank 4 Federal 58H** Cimarex Energy Co. UL: M, Sec. 4, 23S, 32E Lea Co., NM

- 1 <u>All Company and Contract personnel admitted on location must be trained by a qualified</u> <u>H2S safety instructor to the following:</u>
 - 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.
- B.

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.
- В.

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 <u>Communication:</u>

- 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 guarters.

7 Drilistem 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 Red Tank 4 Federal 58H Cimarex Energy Co. UL: M, Sec. 4, 23S, 32E Lea 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 (SO₂). 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 **Red Tank 4 Federal 58H** Cimarex Energy Co. UL: M, Sec. 4, 23S, 32E Lea Co., NM

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| Cimarex Energy Co. of Colorad | lo | 800-969-4789 | | |
|--------------------------------|--------------------------------------|--------------|----|--------------|
| Co. Office and After-Hours Me | nu | | | |
| | | | | |
| Key Personnel | | 045 | | Mahila |
| 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 C | | 575-746-2122 | | |
| New Mexico Oil Conservation | on Division | 575-748-1283 | | |
| <u>Carlsbad</u> | · | | | |
| Ambulance | | 911 | | - <u>-</u> |
| State Police | | 575-885-3137 | | |
| City Police | | 575-885-2111 | | |
| Sheriff's Office | | 575-887-7551 | | |
| Fire Department | | 575-887-3798 | | |
| Local Emergency Planning C | | 575-887-6544 | | |
| US Bureau of Land Manage | ment | 575-887-6544 | | |
| <u>Santa Fe</u> | | | | |
| New Mexico Emergency Re | sponse Commission (Santa Fe) | 505-476-9600 | | |
| New Mexico Emergency Re | sponse Commission (Santa Fe) 24 Hrs | 505-827-9126 | | |
| New Mexico State Emerger | cy Operations Center | 505-476-9635 | | |
| <u>National</u> | | | | |
| National Emergency Respon | nse Center (Washington, D.C.) | 800-424-8802 | | |
| Medical | | | | |
| Flight for Life - 4000 24th St | | 806-743-9911 | | |
| Aerocare - R3, Box 49F; Lub | bock, TX | 806-747-8923 | | |
| Med Flight Air Amb - 2301 | fale Blvd S.E., #D3; Albuquerque, NM | 505-842-4433 | | |
| SB Air Med Service - 2505 C | lark 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 | | |
| B.J. Services | | 575-746-3569 | ; | |

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Schlumberger



Cimarex Red Tank 4 Federal #58H Rev0 RM 23Oct18 Anti-Collision Summary Report

| October 26, 2018 - 14:55 |
|---------------------------------|
| Cimarex Energy |
| NM Lea County (NAD 83) |
| Cimarex Red Tank 4 Federal #58H |
| New Slot |
| Red Tank 4 Federal #58H |
| Red Tank 4 Federal #58H |
| 0.00ft ~ 14070.51ft |
| |

Not performed!

Analysis Method: Reference Trajectory: Depth Interval: Rule Set: Min Pts: Version / Patch: Database \ Project: 3D Least Distance Cimarex Red Tank 4 Federal #58H Rev0 RM 23Oct18 (Non-Def Plan) Every 10.00 Measured Depth (ft) NAL Procedure: D&M AntiCollision Standard S002 All local minima indicated. 2.10.740.0 US1153APP452.dir.slb.com\drilling-NM Lea County 2.10

| | ISCWSA0 3-D 95.000% Confidence 2.7955 sigma, for subject well. For | |
|-------------------------|---|-----------------------------|
| Trajectory Error Model: | offset wells, error model version is specified with each well respectively. | |
| | | Offset Trajectories Summary |

Offset Selection Criteria

Wellhead distance scan: Selection filters:

Definitive Surveys - Definitive Plans - Definitive surveys exclude definitive plans

- All Non-Def Surveys when no Def-Survey is set in a borehole - All Non-Def Plans when no Def-Plan is set in a borehole

| Γ | Offset Trajectory | | Separation | n | Allow | Sep. | Controlling | Reference | Trajectory | | Risk Level | Alert | Status | |
|---|-------------------|------------|------------|----------|-----------|-------|-------------|-----------|------------|-------|------------|-------|--------|--|
| L | | Ct-Ct (ft) | MAS (ft) | EOU (ft) | Dev. (ft) | Fact. | Rule | MD (ft) | TVD (ft) | Alert | Minor | Major | | |

Results highlighted: Sep-Factor separation <= 1.50 ft

| naraxi keoi henix 40 feetena) Mi Revo RM 280etN3 (Non- 171an) | | | | | | | | | | Fail Minor |
|---|--------|--------|--------|------|----------------|----------|-----------|-----------------|----------|-------------|
| 20.06 | 16.55 | 17.56 | 3.51 | N/A | MAS = 5.04 (m) | 0.00 | 0.00 | CtCt<=15m<15.00 | | Enter Alert |
| 20.06 | 16.55 | 17.56 | 3.51 | N/A | MAS = 5.04 (m) | 26.00 | 26.00 | | | WRP |
| 20.06 | 20.10 | 5.83 | -0.04 | 1.50 | OSF1.50 | 1930.00 | 1930.00 | | OSF<1.50 | Enter Minor |
| 20.06 | 20.76 | 5.39 | -0.70 | 1.44 | OSF1.50 | 2000.00 | 2000.00 | | | MinPt-CtCt |
| 20.08 | 20.83 | 5.36 | -0.75 | 1.44 | OSF1.50 | 2010.00 | 2010.00 | | | MINPT-O-EOU |
| 20.13 | 20.90 | 5.36 | -0.77 | 1.44 | OSF1.50 | 2020.00 | . 2020.00 | | • | MinPts |
| 21,18 | 21.33 | 6.13 | -0.15 | 1.49 | OSF1.50 | 2080.00 | 2079.99 | | OSF>1.50 | Exit Minor |
| 74.71 | 26.80 | 56.01 | 47.91 | 4.46 | OSF1.50 | 3500.00 | 3494.43 | | | MinPt-O-SF |
| 84.70 | 27.31 | 65.66 | 57.39 | 4.97 | OSF1.50 | 3710.00 | 3703.54 | OSF>5.00 | | Exit Alert |
| 307.96 | 94.29 | 244.26 | 213.67 | 4.99 | OSF1.50 | 10900.00 | 9524.00 | OSF<5.00 | | Enter Alert |
| 307.96 | 180.51 | 186.78 | 127.45 | 2.57 | OSF1.50 | 14060.00 | 9524.00 | | | MinPt-CtCt |
| 307.96 | 180.79 | 186.60 | 127.16 | 2.57 | OSF1.50 | 14070.00 | 9524.00 | | | MinPts |
| 307.96 | 180.79 | 186.60 | 127.17 | 2.57 | OSF1.50 | 14070.51 | 9524.00 | | | סד |

CIMERCI REAL 41 FOCEREI (1594 ROVO RM 2600M8 (NOT

Def Plan)

| 0.000 | | | | | | | | | | (alla galmas) | |
|-------|--------|--------|--------|--------|---------|----------------|----------|---------|-----------------|---------------|--|
| | 20.00 | 16.50 | 17.50 | 3.50 | N/A | MAS = 5.03 (m) | 0.00 | 0.00 | CtCt<=15m<15.00 | Enter Alert | |
| | 20.00 | 16.50 | 17.50 | 3.50 | 9846.66 | MAS = 5.03 (m) | 26.00 | 26.00 | | WRP | |
| | 20.00 | 16.50 | 8.53 | 3.50 | 1.95 | MAS = 5.03 (m) | 1490.00 | 1490.00 | | MinPts | |
| • | 20.02 | 16.50 | 8.44 | 3.52 | 1.93 | MAS = 5.03 (m) | 1510.00 | 1510.00 | | MINPT-O-EOU | |
| | 20.17 | ~16.50 | 8.49 | 3.66 | 1.93 | MAS = 5.03 (m) | 1530.00 | 1530.00 | | MinPt-O-SF | |
| | 56.64 | 18.86 | 43.24 | 37.79 | 4.97 | OSF1.50 | 1980.00 | 1980.00 | OSF>5.00 | Exit Alert | |
| | 179.38 | 47.52 | 146.87 | 131.86 | 5.89 | OSF1.50 | 6016.16 | 6000.00 | | MinPt-O-SF | |
| | 307.97 | 65.37 | 263.56 | 242.60 | 7.29 | OSF1,50 | 9610.00 | 9481.47 | | MinPt-CtCt | |
| • | 307.97 | 94.24 | 244.31 | 213.72 | 4.99 | OSF1.50 | 11230.00 | 9524.00 | OSF<5.00 | Enter Alert | |
| | 307.97 | 174.60 | 190.73 | 133.37 | 2.66 | OSF1.50 | 14070.51 | 9524.00 | | MinPts | |

| Offset Trajectory | | Separation | | Ailow | Sep. | Controlling | Reference | Frajectory | | Risk Level | | Alert | Status |
|---|------------|------------|----------|-----------|-----------|-----------------|-----------|------------|----------|-------------------|-------|-------------|--------------|
| | Ct-Ct (ft) | MAS (ft) | EOU (ft) | Dev. (ft) | Fact. | Rute | MD (ft) | TVD (ft) | Alert | Minor | Major | | |
| | | | | | | | | | | | | | |
| ICEN KEED VERMIN (H FEDERED SYND OR (D 122235R) MD | | | | | | | | | | | | | |
| Survey) | | | | | | | | | | | | | Wantho Alari |
| | 4392.12 | 32.81 | 4389.62 | 4359.31 | N/A | MAS = 10.00 (m) | 0.00 | 0.00 | | | | Surface | |
| | 4391.91 | 32.81 | 4389.39 | 4359.10 | 187897.00 | MAS = 10.00 (m) | 26.00 | 26.00 | | | | MinPt-O-SF | |
| | 4391.85 | 32.81 | 4389.30 | 4359.04 | 82314.96 | MAS = 10.00 (m) | 50.00 | 50.00 | | | | MinPts | |
| | 4392.97 | 32.81 | 4383.66 | 4360.17 | 643.91 | MAS = 10.00 (m) | 1520.00 | 1520.00 | | | | MinPts | |
| | 4391.02 | 32.81 | 4379.50 | 4358.21 | 486.86 | MAS = 10.00 (m) | 2290.00 | 2289.52 | | | | MinPts | |
| | 4391.07 | 32.81 | 4379.47 | 4358.26 | 482.38 | MAS = 10.00 (m) | 2350.00 | 2349.26 | | | | MINPT-O-EOU | |
| | 4381.48 | 32.81 | 4366.69 | 4348.67 | 356.14 | MAS = 10.00 (m) | 3720.00 | 3713.50 | | | | MinPts | |
| | 4381.53 | 32.81 | 4366.62 | 4348.72 | 352.87 | MAS = 10.00 (m) | 3760.00 | 3753.33 | | | | MINPT-O-EOU | |
| | 4382.14 | 32.81 | 4365.27 | 4349.33 | 304.73 | MAS = 10.00 (m) | 4320.00 | 4310.98 | | | | MinPts | |
| | 4382.28 | 32.81 | 4365.13 | 4349.48 | 298.92 | MAS = 10.00 (m) | 4390.00 | 4380.68 | | | | MINPT-O-EOU | |
| | 4379.55 | 32.81 | 4360.46 | 4346.74 | 263.82 | MAS = 10.00 (m) | 4940.00 | 4928.37 | | | | MinPts | |
| | 4375.08 | 33.58 | 4351.85 | 4341.50 | 211.08 | OSF1.50 | 6100.00 | 6083.59 | | | | MinPts | |
| | 4374.89 | 32.88 | 4352.14 | 4342.01 | 215,96 | OSF1.50 | 6240.00 | 6223.47 | | | | MinPt-CtCt | |
| | 4371.09 | 36.14 | 4346.16 | | 194.87 | OSF1.50 | 7300.00 | 7283.47 | | | | MinPt-CtCt | |
| | 4371.15 | 36.29 | 4346.12 | 4334.85 | 193.91 | OSF1.50 | 7340.00 | 7323.47 | | | | MINPT-O-EOU | |
| | 4371.21 | 36.38 | 4346.13 | 4334.84 | 193.43 | OSF1.50 | 7360.00 | 7343.47 | | | | MinPt-O-ADP | |
| | 4371.16 | 36.95 | 4345.69 | 4334.21 | 190.30 | OSF1.50 | 7500.00 | 7483.47 | | | | MinPt-CtCt | |
| | 4370.80 | 38.26 | 4344.46 | 4332.54 | 183.28 | OSF1.50 | 7810.00 | 7793.47 | | | | MinPt-CtCt | |
| | 235.17 | 76.14 | 182.00 | 159.04 | 4.96 | OSF1.50 | 13510.00 | 9524.00 | OSF<5.00 | | | Enter Alert | |
| | 140.88 | 117.29 | 61.73 | 23.59 | 1.81 | OSF1.50 | 13700.00 | 9524.00 | | | | MinPts | |
| | 262.66 | 83.33 | 206.27 | 179.33 | 4.83 | OSF1.50 | 13920.00 | 9524.00 | OSF>5.00 | | | Exit Alert | |
| | 397.96 | 69.07 | 351.08 | 328.89 | 8.91 | OSF1.50 | 14070.51 | 9524.00 | | | | סז | |
| | | | | | | | | | | | | | |
| ex Rod Tents 4 Federal | | | | | | | | | | | | | |
| 5191 GyzerMIND 191491 2291 MD (Def Suvey) |] | | | | | | | | | | | | Waming Ala |
| | 4392.12 | 32.81 | 4389.62 | 4359.31 | N/A | MAS = 10.00 (m) | 0.00 | 0.00 | | | | Surface | |
| | - 4391.91 | 32.81 | 4389.39 | 4359.10 | 187897.00 | MAS = 10.00 (m) | 26.00 | 26.00 | | | | MinPt-O-SF | |
| | 4391.85 | 32.81 | 4389.30 | 4359.04 | 82314.96 | MAS = 10.00 (m) | 50.00 | 50.00 | | | | MinPts | |

| 3 | Surface | | 0.00 | 0.00 | MAS = 10.00 (m) | <u>N/A</u> | 4359.31 | 4389.62 | 32.81 | 4392.12 |
|-----|-------------|----------|---------|----------|-----------------|------------|----------|---------|--------|-----------------------------|
| : | MinPt-O-SF | | 26.00 | 26.00 | MAS = 10.00 (m) | 187897.00 | 4359.10 | 4389.39 | 32.81 | 4391.91 |
| ; | MinPts | | 50.00 | 50.00 | MAS = 10.00 (m) | 82314.96 | 4359.04 | 4389.30 | 32.81 | 4391.85 |
| \$ | MinPts | | 1520.00 | 1520.00 | MAS = 10.00 (m) | 643.91 | 4360.17 | 4383.66 | 32.81 | 4392.97 |
| \$ | MinPts | | 2289.52 | 2290.00 | MAS = 10.00 (m) | 486.86 | 4358.21 | 4379.50 | 32.81_ | 4391.02 |
| J | MINPT-O-EOL | | 2349.26 | 2350.00 | MAS = 10.00 (m) | 482.38 | 4358.26 | 4379.47 | 32.81 | 4391.07 |
| \$ | MinPts | | 3713.50 | 3720.00 | MAS = 10.00 (m) | 356.14 | 4348.67 | 4366.69 | 32.81 | 4381.48 |
| , | MINPT-O-EOL | | 3753.33 | 3760.00 | MAS = 10.00 (m) | 352.87 | 4348.72 | 4366.62 | 32.81 | 4381.53 |
| \$ | MinPts | | 4310.98 | 4320.00 | MAS = 10.00 (m) | 304.73 | 4349.33 | 4365.27 | 32.81 | 4382.14 |
|) | MINPT-O-EOL | | 4380.68 | 4390.00 | MAS = 10.00 (m) | 298.92 | 4349.48 | 4365.13 | 32.81 | 4382.28 |
| ; | MinPts | | 4928.37 | 4940.00 | MAS = 10.00 (m) | 263.82 | 4346.74 | 4360.46 | 32.81 | 4379.55 |
| \$ | MinPts | | 6083.59 | 6100.00 | OSF1.50 | 211.08 | 4341.50 | 4351.85 | 33.58 | 4375.08 |
| ł – | MinPt-CtC | | 6223.47 | 6240.00 | OSF1.50 | 215.96 | 4342.01 | 4352.14 | 32.88 | 4374.89 |
| ; | MinPt-O-SF | | 9499.68 | 9660.00 | OSF1.50 | 23.00 | 1216.59 | 1244.89 | 87.40 | 1303.99 |
| ÷ | MinPts | | 9523.99 | 9810.00 | OSF1.50 | 23.37 | 1195.01 | 1222.33 | 84.47 | 1279.47 |
| , | MinPt-O-ADF | | 9524.00 | 9860.00 | OSF1.50 | 23.66 | 1195.38 | 1222.35 | 83.42 | 1278.80 |
|) | MINPT-O-EOU | | 9524.00 | 9910.00 | OSF1.50 | 23.86 | 1195.49 | 1222.22 | 82.70 | 1278.19 |
| \$ | MinPts | | 9524.00 | 10960.00 | OSF1.50 | 27.59 | _1183.80 | 1206.48 | 70.56 | 1254.35 |
| : | MinPt-O-SF | | 9524.00 | 11030.00 | OSF1.50 | 27.58 | 1184.36 | 1207.07 | 70.62 | 1254.98 |
| : | MinPt-O-SF | | 9524.00 | 11440.00 | OSF1.50 | 28.46 | 1194.85 | 1217.01 | 68.97 | 1263.82 |
| , | MinPt-O-ADF | | 9524.00 | 11450.00 | OSF1.50 | 28.47 | 1194.82 | 1216.97 | 68.95 | 1263.77 |
| 6 | MinPts | | 9524.00 | 12460.00 | OSF1.50 | 25.41 | 1167.74 | 1192.16 | 75.77 | 1243.51 |
| Ł | Enter Aler | OSF<5.00 | 9524.00 | 13510.00 | OSF1.50 | 4.96 | 159.04 | 182.00 | 76.14 | 235.17 |
| ÷ | MinPts | | 9524.00 | 13700.00 | OSF1.50 | 1.81 | 23.59 | 61.73 | 117.29 | 140.88 |
| ł | Exit Aler | OSF>5.00 | 9524.00 | 13920.00 | OSF1.50 | 4.83 | 179.33 | 206.27 | 83.33 | 262.66 |
| | | | | | | | | | | |

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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 | | |
| | 397.96 | 69.07 | 351.08 | 328.89 | 8.91 | OSF1.50 | 14070.51 | 9524.00 | | | | TD | |
| TEX RED VENIX 4 FEDERAL | | | | | | | | | | | | | |
| (Revo RM 250568 (No: 1911) | ح ن | | | | | | | | | | | | Pass |
| | 916.39 | 32.81 | 913.89 | 883.59 | N/A | MAS = 10.00 (m) | 0.00 | 0.00 | | | | Surface | |
| | 916.39 | 32.81 | 913.86 | 883.59 | 26199.09 | MAS = 10.00 (m) | 26.00 | 26.00 | | | | WRP | |
| | 548.38 | 75.36 | 497.17 | 473.02 | 11.29 | OSF1.50 | 9030.00 | 9013.47 | | | | MinPt-CtCt | |
| | 548.41 | 75.52 | 497.09 | 472.89 | 11.27 | OSF1.50 | 9050.00 | 9033.47 | | | | MINPT-O-EOU | |
| | 548.48 | 75.59 | 497.12 | 472.89 | 11.26 | OSF1.50 | 9060.00 | 9043.47 | | | | MinPt-O-ADP | |
| | 550.22 | 76.03 | 498.57 | 474.19 | 11.23 | OSF1.50 | 9130.00 | 9113.25 | | | | MinPt-O-SF | |
| | 616.13 | 184.68 | 492.09 | 431.45 | 5.06 | OSF1.50 | 14070.51 | 9524.00 | | | | MinPts | |
| existed liank(4) second | | | | | | | | | | | | | |
| REVO RM 280ENB (No. En) | | | | | | | | | | | | | Pass |
| any | 936.39 | 32.81 | 933.89 | 903,58 | N/A | MAS = 10.00 (m) | 0.00 | 0.00 | | | | Surface | Pass |
| | 936.39 | 32.81 | 933.85 | 903.58 | 24724.92 | MAS = 10.00 (m) | 26.00 | 26.00 | | | | WRP | |
| | 936.39 | 32.81 | 921.79 | | 77.18 | MAS = 10.00 (m) | 1980.00 | 1980.00 | | | | MinPts | |
| | 936.42 | 32.81 | 921.73 | 903.62 | 76.59 | MAS = 10.00 (m) | 2000.00 | 2000.00 | | | | MINPT-O-EOU | |
| | 934.01 | 32.81 | 918.96 | 901.20 | 74.24 | MAS = 10.00 (m) | 2330.00 | 2329.35 | | | | MinPts | |
| | 1006.32 | 37.98 | 980.17 | 968.34 | 42.44 | OSF1.50 | 5170.00 | 5157.40 | | | | MinPt-O-SF | |
| | 923.88 | 61.47 | 882.05 | 862.42 | 23.46 | OSF1.50 | 9040.00 | 9023.47 | | | | MinPt-CtCt | |
| | 924.04 | 68.28 | 877.66 | 855.76 | 21.03 | OSF1.50 | 9820.00 | 9524.00 | | | | MinPt-CtCt | |
| | 924.04 | 176.87 | 805.28 | 747.17 | 7.93 | OSF1.50 | 14070.51 | 9524.00 | | | | MinPts | |
| | | | | | <u></u> | | | | | | | | |
| Revo RM 2802118 (Nei Ein) | 4 | | | | | | | | | | | | Pess |
| | 956.39 | 32.81 | 953.89 | 923.58 | N/A | MAS = 10.00 (m) | 0.00 | 0.00 | | | | Surface | |
| | 956.39 | 32.81 | 953.85 | 923.58 | 26019.77 | MAS = 10.00 (m) | 26.00 | 26.00 | | | | WRP | |

| WRP | 26.00 | 26.00 | MAS = 10.00 (m) | 26019.77 | 923.58 | 953.85 | 32.81 | 956.39 |
|-------------|---------|----------|-----------------|----------|---------|---------|--------|---------|
| MinPts | 1480.00 | 1480.00 | MAS = 10.00 (m) | 106.50 | 923.58 | 944.93 | 32.81 | 956.39 |
| MINPT-O-EOU | 1500.00 | 1500.00 | MAS = 10.00 (m) | 105.40 | 923.62 | 944.87 | 32.81 | 956.42 |
| MinPt-O-SF | 2099.98 | 2100.00 | MAS = 10.00 (m) | 89.67 | 969.29 | 988.45 | 32.81 | 1002.09 |
| MinPt-O-SF | 6083.59 | 6100.00 | OSF1.50 | 38.24 | 1105.36 | 1120.40 | 47.63 | 1152.99 |
| MinPt-O-SF | 6643.47 | 6660.00 | OSF1.50 | 37.88 | 1168.26 | 1184.31 | 50.66 | 1218.92 |
| MinPt-CtCt | 9053.47 | 9070.00 | OSF1.50 | 31.57 | 1170.93 | 1190.40 | 60.91 | 1231.84 |
| MinPts | 9524.00 | 14070.51 | OSF1.50 | 10.70 | 1057.12 | 1114.56 | 174.83 | 1231.95 |

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Schlumberger

CIMAREX

Cimarex Red Tank 4 Federal #58H Rev0 RM 23Oct18 Proposal Geodetic Report

(Non-Def Plan)

| Report Date: Client: Field: Structure / Slot: Well: Borehole: UWI / API#: Survey Name: Survey Date: Tort / AHD / DDI / El Coordinate Referen Location Lat / Long Location Grid N/E Y CRS Grid Converge Grid Scale Factor: Version / Patch: | nce System: j: //X: | Red Tank 4 Fede Red Tank 4 Fede Unknown / Unkn Cimarex Red Ta October 26, 2018 100.515 ° / 5102 NAD83 New Mez N 32° 19' 39.168 N 483494.990 ftt | (NAD 83) nk 4 Federal #58H / eral #58H eral #58H own nk 4 Federal #58H ! | Rev0 RM 23Oct18 6 stern Zone, US Fee .28774* | Vi Vi Tr Si M Tr Si t M M G M N Si C N N Si Si N N Si Si N N Si Si Si Si Si Si Si Si Si Si Si Si Si | urvey / DLS Com ertical Section A ertical Section O VD Reference Da VD Reference Ele eabed / Ground I agnetic Declinat otal Gravity Field ravity Model: otal Magnetic Field agnetic Dip Ang eclination Date: agnetic Declinat orth Reference: rid Convergence otal Corr Mag No orth: ocal Coord Reference | zimuth: rigin: tum: svation: Elevation: ion: I Strength: eld Strength: le: lon Model: Used: rth->Grid | Minimum Curvatur 359.612 ° (Grid No 0.000 ft, 0.000 ft RKB 3655.600 ft above 3629.600 ft above 6.838 ° 998.4466mgn (9.8 GARM 48057.216 nT 60.080 ° October 26, 2018 HDGM 2018 Grid North 0.3455 ° 6.4922 ° Well Head | nrth) MSL MSL | | | |
|---|---------------------------|---|---|---|--|--|--|--|---------------------|-------------|---------------|----------------|
| Comments | MC | | | TVD | VSEC | NS | EW | | Northing | Easting | Latitude | Longitude |
| | (ft |) (*) |) <u>(°)</u> | (ft) | (ft) | (ft) | (ft) |) (°/100ft) | (ftUS) | (ftUS) | (N/S * ' ") | (E/W ° ' ") |
| SHL (432' FSL, 270' FWL) | 0.00 | | | 0.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 100.00 | | | 100.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | | | W 103 41 14.29 |
| | 200.00 | | | 200.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | | | W 103 41 14.29 |
| · · · · | 300.00 | | | 300.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | | | W 103 41 14.29 |
| | 400.00 |) 0.00 | 90.00 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | | | W 103 41 14.29 |
| | 500.00 |) 0.00 | 90.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 600.00 |) 0.00 | 90.00 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 700.00 |) 0.00 | 90.00 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 800.00 |) 0.00 | 90.00 | 800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 900.00 |) 0.00 | 90.00 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| Rustler | 977.00 | 0.00 | 90.00 | 977.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 1000.00 |) 0.00 | 90.00 | 1000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 1100.00 |) 0.00 | 90.00 | 1100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 1200.00 | 0.00 | 90.00 | 1200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 1300.00 |) 0.00 | 90.00 | 1300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 1400.00 | | | 1400.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| | 1500.00 | | | 1500.00 | 0.00 | 0.00 | - 0.00 | | 483494.99 | | | W 103 41 14.29 |
| | 1600.00 | | | 1600.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | | | W 103 41 14.29 |
| | 1700.00 | | | 1700.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | 740886.08 N | | W 103 41 14.29 |
| | 1800.00 | | | 1800.00 | 0.00 | 0.00 | 0.00 | | 483494.99 | | | W 103 41 14.29 |
| | 1900.00 | 0.00 | 90.00 | 1900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | 32 19 39.17 | W 103 41 14.29 |
| Nudge 2°/100' DLS | 2000.00 | 0.00 | 90.00 | 2000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 483494.99 | 740886.08 N | I 32 19 39.17 | W 103 41 14.29 |
| | 2100.00 |) 2.00 | 90.00 | 2099.98 | -0.01 | 0.00 | 1.75 | 2.00 | 483494.99 | 740887.83 N | I 32 19 39.17 | W 103 41 14.27 |
| | 2200.00 |) 4.00 | 90.00 | 2199.84 | -0.05 | 0.00 | 6.98 | 2.00 | 483494.99 | 740893.06 N | 32 19 39.17 | W 103 41 14.21 |
| Hold Nudge | 2262.88 | 5.26 | 90.00 | 2262.51 | -0.08 | 0.00 | 12.05 | 2.00 | 483494.99 | 740898.13 N | 32 19 39.16 | W 103 41 14.15 |
| - | 2300.00 |) 5.26 | 90.00 | 2299.48 | -0.10 | 0.00 | 15.45 | 0.00 | 483494.99 | 740901.53 N | 32 19 39.16 | W 103 41 14.11 |
| | 2400.00 |) 5.26 | 90.00 | 2399.05 | -0.17 | 0.00 | 24.62 | 0.00 | 483494.99 | 740910.70 N | 32 19 39.16 | W 103 41 14.00 |

| Comments | MD (ft) | inci (°) | Azim Grid | TVD (ft) | VSEC (ft) | NS (ft) | EW (ft) | DLS (°/100ft) | Northing (ftUS) | Easting (ftUS) | Latitude (N/S ° ' '') | Longitude (E/W ° ' ") |
|---------------------------------|------------|--------------|----------------|--------------------|----------------|------------|------------|------------------|--------------------|-------------------|--------------------------|--------------------------|
| | 2500.00 | 5.26 | 90.00 | 2498.63 | -0.23 | 0.00 | 33.78 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 2600.00 | 5.26 | 90.00 | 2598.21 | -0.29 | 0.00 | 42.94 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 2700.00 | 5.26 | 90.00 | 2697.79 | -0.35 | 0.00 | 52.11 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 2800.00 | 5.26 | 90.00 | 2797.37 | -0.41 | 0.00 | 61.27 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 2900.00 | 5.26 | 90.00 | 2896.95 | -0.48 | 0.00 | 70.43 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3000.00 | 5.26 | 90.00 | 2996.53 | -0.54 | 0.00 | 79.60 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3100.00 | 5.26 | 90.00 | 3096.11 | -0.60 | 0.00 | 88.76 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3200.00 | 5.26 | 90.00 | 3195.69 | -0.66 | 0.00 | 97.92 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3300.00 | 5.26 | 90.00 | 3295.27 | -0.73 | 0.00 | 107.09 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3400.00 | 5.26 | 90.00 | 3394.85 | -0.79 | 0.00 | 116.25 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| Castille | 3427.27 | 5.26 | 90.00 | 3422.00 | -0.80 | 0.00 | 118.75 | 0.00 | 483494.99 | | V 32 19 39.16 W | |
| Guotano | 3500.00 | 5.26 | 90.00 | 3494.43 | -0.85 | 0.00 | 125.41 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3600.00 | 5.26 | 90.00 | 3594.01 | -0.91 | 0.00 | 134.58 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3700.00 | 5.26 | 90.00 | 3693.58 | -0.97 | 0.00 | 143.74 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3800.00 | 5.26 | 90.00 | 3793.16 | -1.04 | 0.00 | 152.90 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 3900.00 | 5.26 | 90.00 | 3892.74 | -1.10 | 0.00 | 162.07 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 4000.00 | 5.26 | 90.00 | 3992.32 | -1.16 | 0.00 | 171.23 | 0.00 | 483494.99 | | N 32 19 39.16 V | |
| | 4100.00 | 5.26 | 90.00 | 4091.90 | -1.22 | 0.00 | 180.39 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4200.00 | 5.26 | 90.00 | 4191.48 | -1.28 | 0.00 | 189.56 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4300.00 | 5.26 | 90.00 | 4291.06 | -1.35 | 0.00 | 198.72 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4400.00 | 5.26 | 90.00 | 4390.64 | -1.41 | 0.00 | 207.89 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4500.00 | 5.26 | 90.00 | 4490.22 | -1.47 | 0.00 | 217.05 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4600.00 | 5.26 | 90.00 | 4589.80 | -1.53 | 0.00 | 226.21 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| Lomor | 4637.36 | 5.26 | 90.00 | 4627.00 | -1.56 | 0.00 | 229.64 | 0.00 | 483494.99 | | V 32 19 39.15 V | |
| Lamar Bell Canyon | 4683.55 | 5.26 | 90.00 | 4673.00 | -1.58 | 0.00 | 233.87 | 0.00 | 483494.99 | | V 32 19 39.15 M | |
| Dell Carlyon | 4700.00 | 5.26 | 90.00 | 4689.38 | -1.59 | 0.00 | 235.38 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | | 5.26 | 90.00 | 4788.96 | -1.66 | 0.00 | 244.54 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4800.00 | 5.26 | 90.00 | 4888.54 | -1.72 | 0.00 | 253.70 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 4900.00 | 5.26 | 90.00 | 4988.12 | -1.72 | 0.00 | 262.87 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5000.00 | | | 5087.69 | | 0.00 | 272.03 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5100.00 | 5.26 5.26 | 90.00 90.00 | | -1.84 -1.90 | 0.00 | 281.19 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5200.00 | | 90.00 | 5187.27 5286.85 | -1.90 | 0.00 | 290.36 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5300.00 | 5.26 | | | -2.03 | 0.00 | 299.52 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5400.00 | 5.26 5.26 | 90.00 90.00 | 5386.43 5486.01 | -2.03 | 0.00 | 308.68 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5500.00 | | | | | 0.00 | 317.85 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| Chame: 0 | 5600.00 | 5.26 | 90.00 | 5585.59 5659.00 | -2.15 -2.20 | 0.00 | 324.60 | 0.00 | 483494.99 | 741210.67 | | |
| Cherry Canyon | 5673.72 | 5.26 | 90.00 | | | 0.00 | 327.01 | 0.00 | 483494.99 | | N 32 19 39.15 V | |
| | 5700.00 | 5.26 | 90.00 | 5685.17 | -2.21 | 0.00 | | 0.00 | 483494.99 | | | |
| | 5800.00 | 5.26 | 90,00 | 5784.75 | -2.28 | | 336.17 | | 483494.99 | | N 32 19 39.15 V | |
| | 5900.00 | 5.26 | 90.00 | 5884.33 | -2.34 | 0.00 | 345.34 | 0.00 | | | N 32 19 39.14 V | |
| | 6000.00 | 5.26 | 90.00 | 5983.91 | -2.40 | 0.00 | 354.50 | 0.00 | 483494.99 | 741240.50 | N 32 19 39.14 V | 103 41 10.16 |
| Drop to Vertical 2°/100' DLS | 6016.16 | 5.26 | 90.00 | 6000.00 | -2.41 | 0.00 | 355.98 | 0.00 | 483494.99 | | N 32 19 39.14 V | |
| | 6100.00 | 3.58 | 90.00 | 6083.59 | -2.45 | 0.00 | 362.44 | 2.00 | 483494.99 | | N 32 19 39.14 V | |
| | 6200.00 | 1.58 | 90.00 | 6183.48 | -2.48 | 0.00 | 366.94 | 2.00 | 483494.99 | | N 32 19 39.14 V | |
| Hold Vertical | 6279.04 | 0.00 | 90.00 | 6262.51 | -2.49 | 0.00 | 368.03 | 2.00 | 483494.99 | | N 32 19 39.14 <i>N</i> | |
| | 6300.00 | 0.00 | 90.00 | 6283.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | | |
| | 6400.00 | 0.00 | 90.00 | 6383.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | | |
| | 6500.00 | 0.00 | 90.00 | 6483.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | N 32 19 39.14 <i>N</i> | |
| | 6600.00 | 0.00 | 90.00 | 6583.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | | |
| | 6700.00 | 0.00 | 90.00 | 6683.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 I | N 32 19 39.14 <i>N</i> | 103 41 10.00 |
| | 6800.00 | 0.00 | 90.00 | 6783.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | N 32 19 39.14 <i>N</i> | |
| Brushy Canyon | 6850.53 | 0.00 | 90.00 | 6834.00 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | V 32 19 39.14 V | |
| - • | 6900.00 | 0.00 | 90.00 | 6883.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | N 32 19 39.14 N | |
| | 7000.00 | 0.00 | 90.00 | 6983.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 I | | |
| | 7100.00 | 0.00 | 90.00 | 7083.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | N 32 19 39.14 N | 103 41 10.00 |
| | 7200.00 | 0.00 | 90.00 | 7183.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | N 32 19 39.14 N | 103 41 10.00 |
| | 7300.00 | 0.00 | 90.00 | 7283.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | N 32 19 39.14 N | 103 41 10.00 |
| | 7400.00 | 0.00 | 90.00 | 7383.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 | N 32 19 39.14 N | 103 41 10.00 |
| | | | | 7483.47 | | | 368.03 | 0.00 | 483494.99 | | | |

| Comments | MD | Incl | | TVD | VSEC | NS | EW | DLS | Northing | Easting | Latitude | Longitude |
|-----------------------------|--------------------|--------------|--------|---------|---------|---------|--------|-----------|------------------------|-------------|------------------------------------|--------------|
| | (ft) | (°) | (°) | (ft) | (ft) | (ft) | (ft) | (°/100ft) | (ftUS) | (ftUS) | (N/S ° ' ") | (E/W * 1 ") |
| | 7600.00 | 0.00 | 90.00 | 7583.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 N | |
| | 7700.00 7800.00 | 0.00 0.00 | 90.00 | 7683.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | | | 90.00 | 7783.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | 7900.00 | 0.00 | 90.00 | 7883.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | 8000.00 | 0.00 | 90.00 | 7983.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | 8100.00 | 0.00 | 90.00 | 8083.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | 8200.00 | 0.00 | 90.00 | 8183.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 N | |
| | 8300.00 | 0.00 | 90.00 | 8283.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 N | |
| | 8400.00 | 0.00 | 90.00 | 8383.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 N | |
| | 8500.00 | 0.00 | 90.00 | 8483.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 N | |
| BSGL | 8582.53 | 0.00 | 90.00 | 8566.00 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 1 32 19 39.14 V | |
| | 8600.00 | 0.00 | 90.00 | 8583.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 N | |
| | 8700.00 | 0.00 | 90.00 | 8683.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| Leonard Shale | 8731.53 | 0.00 | 90.00 | 8715.00 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | i 32 19 39.14 V | |
| | 8800.00 | 0.00 | 90.00 | 8783.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | 8900.00 | 0.00 | 90.00 | 8883.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | | 32 19 39.14 <i>N</i> | |
| | 9000.00 | 0.00 | 90.00 | 8983.47 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 N | 32 19 39.14 N | 103 41 10.00 |
| KOP - Build 12°/100' DLS | 9063.06 | 0.00 | 90.00 | 9046.54 | -2.49 | 0.00 | 368.03 | 0.00 | 483494.99 | 741254.10 N | N 32 19 39.14 <i>N</i> | 103 41 10.00 |
| Avalon Shale | 9066.53 | 0.42 | 359.61 | 9050.00 | -2.48 | 0.01 | 368.03 | 12.00 | 483495.00 | 741254.10 N | 1 32 19 39.14 V | 103 41 10.00 |
| | 9100.00 | 4.43 | 359.61 | 9083.43 | -1.06 | 1.43 | 368.02 | 12.00 | 483496.42 | 741254.09 N | 32 19 39.16N | 103 41 10.00 |
| | 9200.00 | 16.43 | 359.61 | 9181.60 | 17.01 | 19.50 | 367.90 | 12.00 | 483514.49 | 741253.96 N | 32 19 39.34 N | 103 41 10.00 |
| | 9300.00 | 28.43 | 359.61 | 9273.87 | 55.10 | 57.59 | 367.64 | 12.00 | 483552.58 | | 32 19 39.71 N | |
| | 9400.00 | 40.43 | 359.61 | 9356.20 | 111.54 | 114.03 | 367.26 | 12.00 | 483609.01 | | 32 19 40.27 N | |
| | 9500.00 | 52.43 | 359.61 | 9424.99 | 183.86 | 186.35 | 366.77 | 12.00 | 483681.33 | 741252.83 N | | |
| | 9600.00 | 64.43 | 359.61 | 9477.24 | 268.91 | 271.40 | 366.19 | 12.00 | 483766.37 | 741252.26 N | | |
| | 9700.00 | 76.43 | 359.61 | 9510.68 | 362.96 | 365.45 | 365.56 | 12.00 | 483860.42 | | 32 19 42.76 W | |
| | 9800.00 | 88.43 | 359.61 | 9523.82 | 461.91 | 464.39 | 364.89 | 12.00 | 483959.36 | | 32 19 43.74 W | |
| Landing Point Low Avalon | 9813.06 | 90.00 | 359.61 | 9524.00 | 474.97 | 477.45 | 364.80 | 12.00 | 483972.42 | | 32 19 43.87 W | |
| Low Avaion | 9900.00 | 90.00 | 359.61 | 9524.00 | 561.91 | 564.39 | 364.21 | 0.00 | 484059.35 | 741250.27 N | i 32 19 44.73 W | 103 41 10.00 |
| | 10000.00 | 90.00 | 359.61 | 9524.00 | 661.91 | 664.39 | 363.53 | 0.00 | 484159.34 | 741249.60 N | 32 19 45.72 W | 103 41 10.00 |
| | 10100.00 | 90.00 | 359.61 | 9524.00 | 761.91 | 764.38 | 362.86 | 0.00 | 484259.34 | 741248.92 N | 32 19 46.71 W | 103 41 10.01 |
| | 10200.00 | 90.00 | 359.61 | 9524.00 | 861.91 | 864.38 | 362.18 | 0.00 | 484359.33 | 741248.24 N | J 32 19 47.70 W | 103 41 10.01 |
| | 10300.00 | 90.00 | 359.61 | 9524.00 | 961.91 | 964.38 | 361.50 | 0.00 | 484459.32 | 741247.56 N | 32 19 48.69 W | 103 41 10.01 |
| • | 10400.00 | 90.00 | 359.61 | 9524.00 | 1061.91 | 1064.38 | 360.82 | 0.00 | 484559.32 | 741246.89 N | 32 19 49.68 W | 103 41 10.01 |
| | 10500.00 | 90.00 | 359.61 | 9524.00 | 1161.91 | 1164.37 | 360.15 | 0.00 | 484659.31 | | 32 19 50.67 W | |
| | 10600.00 | 90.00 | 359.61 | 9524.00 | 1261.91 | 1264.37 | 359.47 | 0.00 | 484759.30 | 741245.53 N | 32 19 51:65 W | 103 41 10.01 |
| | 10700.00 | 90.00 | 359.61 | 9524.00 | 1361.91 | 1364.37 | 358.79 | 0.00 | 484859.30 | | 32 19 52.64 W | |
| | 10800.00 | 90.00 | 359.61 | 9524.00 | 1461.91 | 1464.37 | 358.12 | 0.00 | 484959.29 | | 32 19 53.63 W | |
| | 10900.00 | 90.00 | 359.61 | 9524.00 | 1561.91 | 1564.37 | 357.44 | 0.00 | 485059.28 | 741243.50 N | | |
| | 11000.00 | 90.00 | 359.61 | 9524.00 | 1661.91 | 1664.36 | 356.76 | 0.00 | 485159.27 | 741242.82 N | | |
| | 11100.00 | 90.00 | 359.61 | 9524.00 | 1761.91 | 1764.36 | 356.08 | 0.00 | 485259.27 | | 32 19 56.60 W | |
| | 11200.00 | 90.00 | 359.61 | 9524.00 | 1861.91 | 1864.36 | 355.41 | 0.00 | 485359.26 | | 32 19 57.59 W | |
| | 11300.00 | 90.00 | 359.61 | 9524.00 | 1961.91 | 1964.36 | 354.73 | 0.00 | 485459.25 | | 32 19 58.58 W | |
| | 11400.00 | 90.00 | 359.61 | 9524.00 | 2061.91 | 2064.35 | 354.05 | 0.00 | 485559.25 | 741240,11 N | | |
| | 11500.00 | 90.00 | 359.61 | 9524.00 | 2161.91 | 2164.35 | 353.37 | 0.00 | 485659.24 | 741239.44 N | | |
| | 11600.00 | 90.00 | 359.61 | 9524.00 | 2261.91 | 2264.35 | 352.70 | 0.00 | 485759.23 | | 32 20 1.55 W | |
| | 11700.00 | 90.00 | 359.61 | 9524.00 | 2361.91 | 2364.35 | 352.02 | 0.00 | 485859.23 | | 32 20 2.54 W | |
| | 11800.00 | 90.00 | 359.61 | 9524.00 | 2461.91 | 2464.34 | 351.34 | 0.00 | 485959.22 | 741237,41 | | |
| | 11900.00 | 90.00 | 359.61 | 9524.00 | 2561.91 | 2564.34 | 350.67 | 0.00 | 486059.21 | 741236.73 N | | |
| | 12000.00 | 90.00 | 359.61 | 9524.00 | 2661.91 | 2664.34 | 349.99 | 0.00 | 486159.20 | 741236.05 N | | |
| | 12100.00 | 90.00 | 359.61 | 9524.00 | 2761.91 | 2764.34 | 349.31 | 0.00 | 486259.20 | 741235.37 N | | |
| | 12200.00 | 90.00 | 359.61 | 9524.00 | 2861.91 | 2864.34 | 348.63 | 0.00 | 486359.19 | 741233.37 N | | |
| | 12300.00 | 90.00 | 359.61 | 9524.00 | 2961.91 | 2964.33 | 347.96 | 0.00 | 486459.18 | | I 32 20 7.49 W | |
| | 12400.00 | 90.00 | 359.61 | 9524.00 | 3061.91 | 3064.33 | 347.28 | 0.00 | 486559.18 | | I 32 20 8.46 W | |
| | 12500.00 | 90.00 | 359.61 | 9524.00 | 3161.91 | 3164.33 | 346.60 | 0.00 | | | | |
| | 12600.00 | 90.00 | 359.61 | 9524.00 | 3261.91 | 3264.33 | 345.92 | 0.00 | 486659.17 486759.16 | | I 32 20 10.46 W I 32 20 11.44 W | |
| | 14000.00 | 50.00 | 339.01 | 3024.00 | 5201.91 | 5204.33 | 340.92 | 0.00 | 400109.10 | 141231.99 N | i jz zu 11.44 W | 103 41 10.03 |
| | 12700.00 | 90.00 | 359.61 | 9524.00 | 3361.91 | 3364.32 | 345.25 | 0.00 | 486859.15 | | 32 20 12.43 W | |

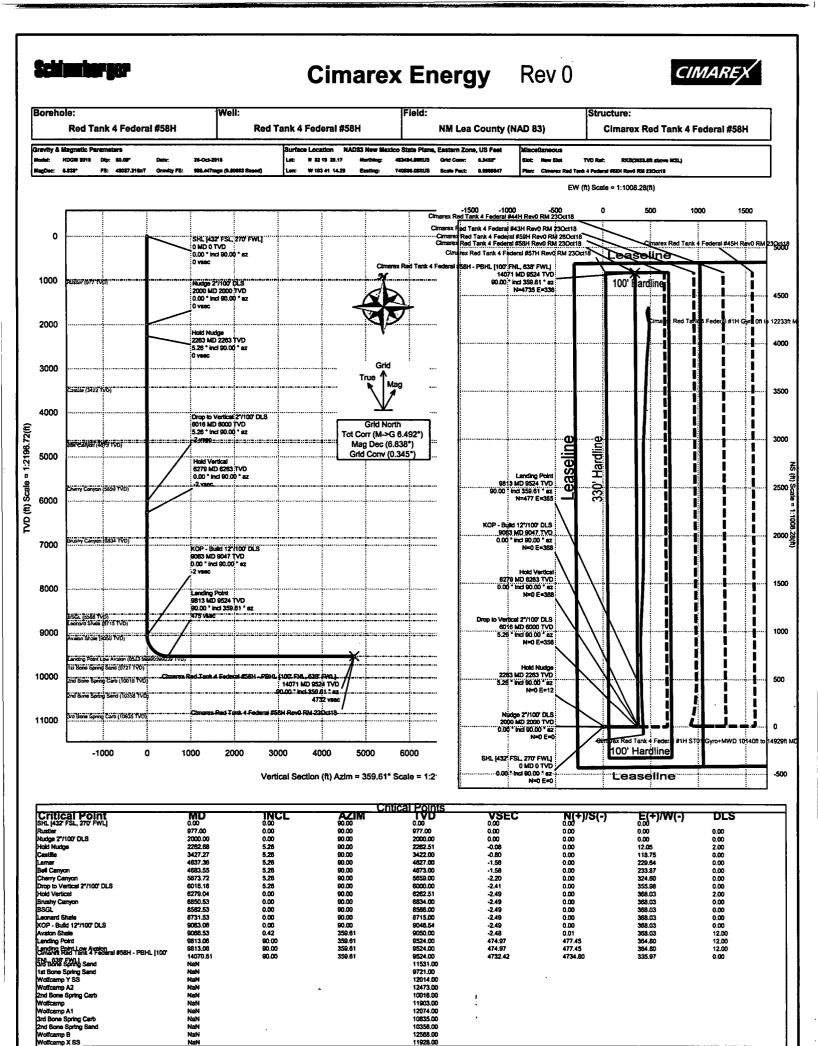
•

| Comments | MD | Incl | Azim Grid | TVD | VSEC | NS | EW | DLS | Northing | Easting | Latitude | Longitude |
|--------------------|----------|------------------|-----------------|--------------------|-----------|-----------|------------------|----------------------|---------------|---------------|---------------------------------|----------------|
| Comments | (ft) | (°) | (°) | (ft) | (ft) | (ft) | (ft) | (°/100ft) | | (ftUS) | (N/S * ' ") | (E/W • ' ") |
| | 12800.00 | 90.00 | 359.61 | 9524.00 | 3461.91 | 3464.32 | 344.57 | 0.00 | 486959.15 | 741230.63 | N 32 20 13.42 | N 103 41 10.03 |
| | 12900.00 | 90.00 | 359.61 | 9524.00 | 3561.91 | 3564.32 | 343.89 | 0.00 | | | N 32 20 14.41 \ | |
| | 13000.00 | 90.00 | 359.61 | 9524.00 | 3661.91 | 3664.32 | 343.22 | 0.00 | | 741229.28 | N 32 20 15.40 \ | N 103 41 10.03 |
| | 13100.00 | 90.00 | 359.61 | 9524.00 | 3761.91 | 3764.31 | 342.54 | 0.00 | | 741228.60 | N 32 20 16.39 \ | N 103 41 10.03 |
| | 13200.00 | 90.00 | 359.61 | 9524.00 | 3861.91 | 3864.31 | 341.86 | 0.00 | | 741227.93 | N 32 20 17.38 | N 103 41 10.03 |
| | 13300.00 | 90.00 | 359.61 | 9524.00 | 3961.91 | 3964.31 | 341.18 | 0.00 | | 741227.25 | N 32 20 18.37 \ | N 103 41 10.03 |
| | 13400.00 | 90.00 | 359.61 | 9524.00 | 4061.91 | 4064.31 | 340.51 | 0.00 | 487559.11 | 741226.57 | N 32 20 19.36 \ | N 103 41 10.03 |
| | 13500.00 | 90.00 | 359.61 | 9524.00 | 4161.91 | 4164.31 | 339.83 | 0.00 | 487659.10 | 741225.89 | N 32 20 20.35 V | N 103 41 10.03 |
| | 13600.00 | 90.00 | 359.61 | 9524.00 | 4261.91 | 4264.30 | 339.15 | 0.00 | 487759.09 | 741225.22 | N 32 20 21.34 \ | N 103 41 10.04 |
| | 13700.00 | 90.00 | 359.61 | 9524.00 | 4361.91 | 4364.30 | 338.48 | 0.00 | 487859.08 | 741224.54 | N 32 20 22.33 \ | N 103 41 10.04 |
| | 13800.00 | 90.00 | 359.61 | 9524.00 | 4461.91 | 4464.30 | 337.80 | 0.00 | 487959.08 | 741223.86 | N 32 20 23.32 V | N 103 41 10.04 |
| | 13900.00 | 90.00 | 359.61 | 9524.00 | 4561.91 | 4564.30 | 337.12 | 0.00 | 488059.07 | 741223.18 | N 32 20 24.31 \ | N 103 41 10.04 |
| | 14000.00 | 90.00 | 359.61 | 9524.00 | 4661.91 | 4664.29 | 336.44 | 0.00 | 488159.06 | 741222.51 | N 32 20 25.30 \ | N 103 41 10.04 |
| Cimarex Red | | | | | | | | | | | | |
| Tank 4 Federal | | | | | | | | | | | | |
| #58H - PBHL | 14070.51 | 90.00 | 359.61 | 9524.00 | 4732.42 | 4734.80 | 335.97 | 0.00 | 488229.57 | 741222.03 | N 32 20 26,00 \ | N 103 41 10.04 |
| [100' FNL, 638' | | | | | | | | | | | | |
| FWL] | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Survey Type: | Non- | Def Plan | | | | | | | | | | |
| Survey Error Model | I: ISCV | VSA Rev 0 *** 3- | -D 95.000% Conf | idence 2.7955 sigi | ma | | | | | | | |
| Survey Program: | | | | | | | | | | | | |
| Deseriati | | Part | MD From | MD To | EOU Freq | Hole Size | | Expected Max | | | Borehole / | C |
| Description | on | Part | (ft) | (ft) | (ft) | (in) | Diameter (in) | Inclination (deg) | | ытуре | Borenole / | Survey |
| | | | | | | | | | | | Red Tank 4 Fe | deral #58H / |
| | | 1 | 0.000 | 26.000 | 1/100.000 | 30.000 | 30.000 | | NAL_MWD_IFR1+ | MS-Depth Only | Cimarex Red Ta #58H Rev0 R | ank 4 Federal |
| | | 1 | 26.000 | 14070.511 | 1/100.000 | 30.000 | 30.000 | | NAL_MWD_I | IFR1+MS | Red Tank 4 Fe Cimarex Red Ta | |

.

1

Cimarex Red Tank 4 Federal



Wolfcamp X 8S

r

11928.00

1. Geological Formations

| TVD of target 9,524 | Pilot Hole TD N/A |
|---------------------|------------------------------|
| MD at TD 14,071 | Deepest expected fresh water |

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/Target Zone | Hazards |
|--------------------|---------------------|-----------------------------------|---------|
| RUSTLER | 977 | N/A | |
| CASTILLE | 3422 | N/A | |
| LAMAR | 4627 | N/A | |
| BELL CANYON | 4673 | N/A | |
| CHERRY CANYON | 5659 | N/A | |
| BRUSHY CANYON | 6834 | Hydrocarbons | |
| BONE SPRING LIME | 8566 | Hydrocarbons | |
| BONE SPRING TARGET | 9524 | Hydrocarbons | |
| 1ST BONE SPRING | 9721 | Hydrocarbons | |
| 2ND BONE SPRING | 10358 | Hydrocarbons | |
| 3RD BONE SPRING | 11531 | Hydrocarbons | |
| WOLFCAMP | 11903 | Hydrocarbons | |

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2. Casing Program

| Hole Size | Casing Depth From | Casing Depth To | Setting Depth TVD | Casing Size | Weight (lb/ft) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|--------------|----------------------|--------------------|----------------------|----------------|-------------------|---------------------|--------------|-------------|----------|--------------------|
| 17 1/2 | 0 | 1027 | 1027 | 13-3/8" | 48.00 | H-40/J-55 Hybrid | ST&C | 1.57 | 3.68 | 6.53 |
| 12 1/4 | 0 | 4653 | 4653 | 9-5/8" | 40.00 | J-55 | LT&C | 1.53 | 1.60 | 2.79 |
| 8 3/4 | 0 | 9063 | 9063 | 5-1/2" | 17.00 | L-80 <u>.</u> | LT&C | 1.48 | 1.82 | 2.09 |
| 8 3/4 | 9063 | 14071 | 9524 | 5-1/2" | 17.00 | L-80 | BT&C | 1.41 | 1.74 | 50.66 |
| | | | | | BLM | Minimum S | 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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| | 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. | N |
| 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 |
| Is AC Report included? | N |

3. Cementing Program

. .

| Casing | | Wt. Ib/gal | Yld ft3/sack | H2O gai/sk | 500# Comp. Strength (hours) | Slurry Description |
|--------------|------|---------------|-----------------|---------------|-----------------------------------|--|
| Surface | 498 | 13.50 | 1.72 | 9.15 | 15.5 | Lead: Class C + Bentonite |
| | 133 | 14.80 | 1.34 | 6.32 | 9.5 | Tail: Class C + LCM |
| | | | | | | |
| Intermediate | 880 | 12.90 | 1.88 | 9.65 | 12 | Lead: 35:65 (Poz:C) + Salt + Bentonite |
| | 272 | 14.80 | 1.34 | 6.32 | 9.5 | Tail: Class C + LCM |
| | | | | | | |
| Production | 397 | 10.30 | 3.64 | 22.18 | | Lead: Tuned Light + LCM |
| | 1071 | 14.20 | 1.30 | 5.86 | 14:30 | Tail: 50:50 (Poz:H) + Salt + Bentonite + Fluid Loss + Dispersant + SMS |

| Casing String | тос | % Excess |
|---------------|------|----------|
| Surface | 0 | . 45 |
| Intermediate | 0 | . 50 |
| Production | 4453 | 17 |

3 Drilling Plan

. . .

4. Pressure Control Equipment

| 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 | 1 |
| | | ļ | Other | · | 1 |
| 8 3/4 | 13 5/8 | 3M | Annular | x | 50% of working pressure |
| | | | Blind Ram | | |
| | | | Pipe Ram | | 3М |
| | | | Double Ram | x | 1 |
| | | [| Other | | 7 |

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.

Formation integrity test will be performed per Onshore Order #2.

On 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.

X A variance 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?

5. Mud Program

| Туре | Weight (ppg) | Viscosity | Water Loss | |
|--------------|--------------|--------------------------|--------------------------------|--|
| FW Spud Mud | 8.30 - 8.80 | 30-32 | N/C | |
| Brine Water | 9.70 - 10.20 | 30-32 | N/C | |
| FW/Cut Brine | 8.50 - 9.00 | 30-32 | N/C | |
| - | Brine Water | Brine Water 9.70 - 10.20 | Brine Water 9.70 - 10.20 30-32 | Brine Water 9.70 - 10.20 30-32 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

| Logging, Coring and Testing | | | | | | |
|--|--|--|--|--|--|--|
| Will run GR/CNL fromTD to surface (horizontal well – vertica | 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 info | mation. | | | | | |
| Drill stem test? | | | | | | |
| Coring? | | | | | | |
| | Will run GR/CNL fromTD to surface (horizontal well – vertica No logs are planned based on well control or offset log info Drill stem test? | | | | | |

Additional Logs Planned

7. Drilling Conditions

| Condition | |
|----------------------------|----------|
| BH Pressure at deepest TVD | 4457 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. X H2S is present

X 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 3000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 3000 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.

Interval

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 3000 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.

• •

Drilling Plan



Installation Procedure Prepared For:

Cimarex 13-3/8" x 9-5/8" x 5-1/2" x 2-3/8"MBU-3T Wellhead Assy. With 13-5/8" 5M x 13-3/8" SOW MBU-3T Housing 13-5/8" 5M x 7-1/16" 10M CTH-DBLHPS Tubing Head And 7-1/16" x 2-3/8" CTH-EN Tubing Hanger

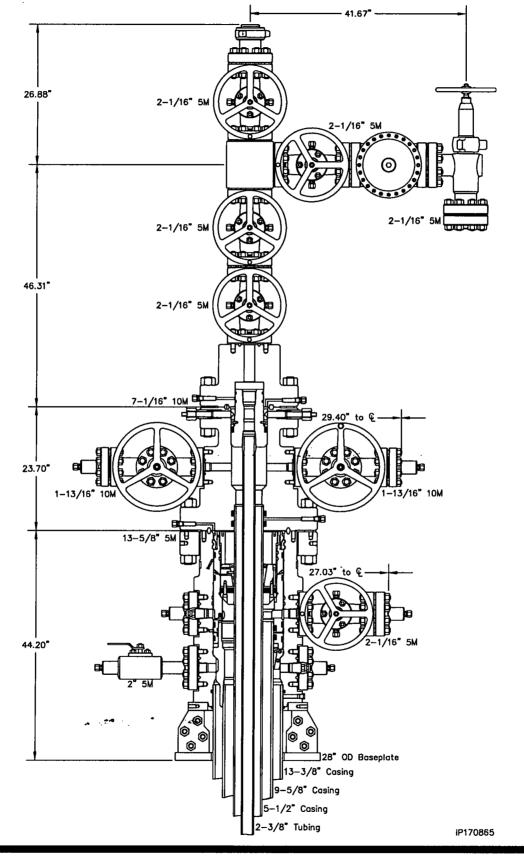
Publication # IP0552

April, 2017

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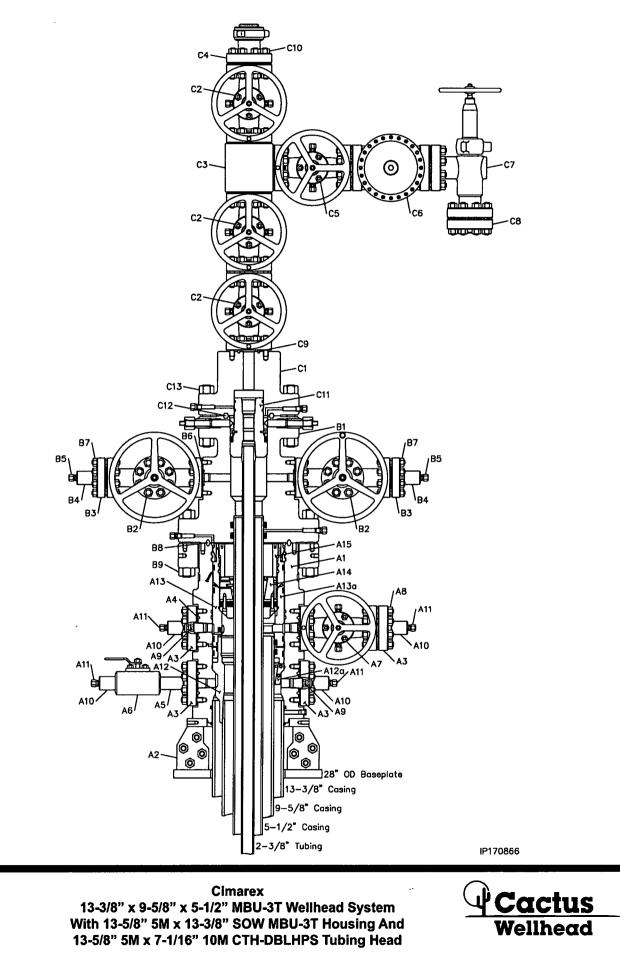
System Drawing



Cactus Wellhead Cimarex 13-3/8" x 9-5/8" x 5-1/2" MBU-3T Wellhead System With 13-5/8" 5M x 13-3/8" SOW MBU-3T Housing And 13-5/8" 5M x 7-1/16" 10M CTH-DBLHPS Tubing Head

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Bill of Materials



IP 0552 Page 2

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

| Section 2 - New | or Reconstructed | Access Roads |
|-----------------|------------------|--------------|
| | | |

Will new roads be needed? YES **New Road Map:** Red_Tank_4_Fed_West_Zone_1_and_2_CTB_Road_ROW_20181030131714.pdf Red_Tank_4_Fed_W2W2_Road_ROW_20181030131713.pdf New road type: Length: Width (ft.): Max slope (%): Max grade (%): Army Corp of Engineers (ACOE) permit required? ACOE Permit Number(s): New road travel width: New road access erosion control: New road access plan or profile prepared? New road access plan attachment: Access road engineering design? Access road engineering design attachment: **Turnout?** Access surfacing type: Access topsoil source: Access surfacing type description: Access onsite topsoil source depth: Offsite topsoil source description: **Onsite topsoil removal process:** Access other construction information: Access miscellaneous information: Number of access turnouts: Access turnout map: Drainage Control

New road drainage crossing:

Drainage Control comments:

-

Road Drainage Control Structures (DCS) description:

Road Drainage Control Structures (DCS) attachment:

- -

- - -- -

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

Red_Tank_4_Fed_West_Zone_1_and_2_CTB_Road_ROW_20181030131714.pdf Red_Tank_4_Fed_W2W2_Road_ROW_20181030131713.pdf

New road type:

Length:

Width (ft.):

Max slope (%):

Max grade (%):

Army Corp of Engineers (ACOE) permit required?

ACOE Permit Number(s):

New road travel width:

New road access erosion control:

New road access plan or profile prepared?

New road access plan attachment:

Access road engineering design?

Access road engineering design attachment:

Turnout?

Access surfacing type:

Access topsoil source:

Access surfacing type description:

Access onsite topsoil source depth:

Offsite topsoil source description:

Onsite topsoil removal process:

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

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Drainage Control

New road drainage crossing:

Drainage Control comments:

Road Drainage Control Structures (DCS) description:

Road Drainage Control Structures (DCS) attachment:

- -

- - - - -

Operator Name: CIMAREX ENERGY COMPANY **Well Name:** RED TANK 4 FEDERAL

Well Number: 58H

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Red_Tank_4_Fed_W2W2_Mile_Radius_Existing_wells_20181030131737.pdf

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Production facilities will be the same in the Red Tank 4 Fed 43H, 44H, 45H, 57H, 58H & 59H.

Production Facilities map:

Red_Tank_4_Fed_West_Zone_1_CTB_Battery_Layout_20181030131755.pdf Red_Tank_4_Fed_West_Zone_2_CTB_Battery_Layout_20181030131803.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

| Water source use type: INTERMEDIATE/PRODUCTION CASING, SURFACE CASING Describe type: | Water source type: MUNICIPAL |
|--|--------------------------------------|
| Source latitude: | Source longitude: |
| Source datum: | |
| Water source permit type: WATER RIGHT | |
| Permit Number: | |
| Source land ownership: STATE | |
| Water source transport method: PIPELINE, TRUCKING | |
| Source transportation land ownership: STATE | |
| Water source volume (barrels): 5000 | Source volume (acre-feet): 0.6444655 |
| Source volume (gal): 210000 | |
| Water source and transportation map: | |
| Red_Tank_4_Fed_W2W2_Drilling_Water_Route_20181030131819.pdf | |
| Water source comments: | |
| New water well? NO | |
| · · · · · · · · · · · · · · · · · · · | |

New Water Well Info

Operator Name: CIMAREX ENERGY COMPANY Well Name: RED TANK 4 FEDERAL Well Number: 58H Well latitude: Well Longitude: Well datum: Well target aquifer: Est. depth to top of aquifer(ft): Est thickness of aquifer: Aquifer comments: Aquifer documentation: 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

Using any construction materials: YES

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 caliche, free of large rocks (3" diameter). Upon completion as a commercial producer the location will be covered with caliche, 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

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

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

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 depth (ft.)

Cuttings area width (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

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Red_Tank_4_Fed_58H_Wellsite_layout_20181030131845.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: RED TANK 4 FEDERAL

Multiple Well Pad Number: W2W2 PAD

Recontouring attachment:

Red_Tank_4_Fed_W2W2_Interim_Reclaim_20181030131859.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 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 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 that are no longer needed for operations would be obliterated, re-contoured, and reclaimed to near original condition to re-establish natural drainage.

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): 6.979 | 3.619 | (acres): 3.36 | |
| Road proposed disturbance (acres): | Road interim reclamation (acres): 0 | Road long term disturbance (acres): | |
| 0.564 | | 0.564 | |
| Powerline proposed disturbance | Powerline interim reclamation (acres): | Powerline long term disturbance | |
| (acres): 1.055 | 0 | (acres): 1.055 | |
| Pipeline proposed disturbance | Pipeline interim reclamation (acres): 0 | Pipeline long term disturbance | |
| (acres): 52.59 | Other interim reclamation (acres): 0 | (acres): 52.59 | |
| Other proposed disturbance (acres): | - | Other long term disturbance (acres): | |

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Total proposed disturbance: 71.898

Total long term disturbance: 68.279

Disturbance Comments: Flowline: 4993', Gas lift: 4993', Access Road: 817', Power: 1533'; Sales: 29,058', SWD; 11,948' Temp fresh water line: 755' CTB Zone 1: 5.346 acres, CTB Zone 2: 5.364 acres

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 re-contoured 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:**

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:

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

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| Seed Management | t | |
|---|--------------|-------------------------|
| Seed Table | | |
| Seed type: | | Seed source: |
| Seed name: | | |
| Source name: | | Source address: |
| Source phone: | | |
| Seed cultivar: | | |
| Seed use location: | | |
| PLS pounds per acre: | | Proposed seeding season |
| Seed Su | Seed Summary | |
| Seed Type | Pounds/Acre | |
| First Name: Phone: | | Last Name: Email: |
| | | |
| edbed prep: | | |
| ed BMP: | | |
| ed method: | _ | |
| isting invasive species? N | | |
| isting invasive species tre | | |
| isting invasive species tre | | |
| ed treatment plan descrip | | |
| ed treatment plan attachn | | |
| nitoring plan description: | IN/A | |
| nitoring plan attachment: ccess standards: N/A | | |
| t closure description: N/A | | |
| t closure attachment: | | |
| CIUSUIE ALLAUIIIIEIIL | | |

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

| 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: 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,285003 ROW – POWER TRANS,288100 ROW – O&G Pipeline,288101 ROW – O&G Facility Sites,288103 ROW – Salt Water Disposal Pipeline/Facility,288104 ROW – Salt Water Disposal ApIn/Fac-FLPMA,289001 ROW- O&G Well Pad,FLPMA (Powerline),Other

ROW Applications

SUPO Additional Information: Batteries, Flow/Gas lift route, SWD, Oil, Gas Sales routes are the same for Red Tank 4 Fed 43H, 44H, 45H, 57H, 58H & 59H. The Road and Power will be same on Red Tank 4 Fed 57H, 58H & 59H. **Use a previously conducted onsite?** YES

Previous Onsite information: Onsite with BLM (Jeff Robertson) and Cimarex (Barry Hunt) on June 19, 2018.

Other SUPO Attachment

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Red_Tank_4_Fed_W2W2_Power_ROW_20181030132016.pdf Red_Tank_4_Fed_W2W2_Public_Access_20181030132018.pdf Red_Tank_4_Fed_W2W2_Road_Description_20181030132020.pdf Red_Tank_4_Fed_Flow_Gas_Lift_ROW_20181030132024.pdf Red_Tank_4_Fed_W2W2_Temp_Water_Route_20181030132021.pdf Red_Tank_4_Fed_Oil_Pipeline_ROW_20181030132035.pdf Red_Tank_4_Fed_Power_ROW_20181030132037.pdf Red_Tank_4_Fed_SWD_ROW_20181030132039.pdf Red_Tank_4_Fed_Gas_Sales_BuyBack_ROW_20181031082149.pdf Red_Tank_4_Fed_58H_Pkt_for_Jeff_1_20181102100016.pdf Red_Tank_4_Fed_58H_Pkt_for_Jeff_2_20181102100029.pdf Red_Tank_4_Fed_58H_SUPO_20181102100030.pdf

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.
 - o 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

Cimarex Energy plans to construct a new on-lease access road

- Length: 817'.
- Width: 30'.
- Road Plat Exhibit D.
- Cimarex Energy will complete improvements to the driving surface as needed.
- The maximum width of the driving surface for all roads above 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.
- Cimarex Energy will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.

Well Radius Map

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

Proposed or Existing Production Facility

A new facility will be constructed for this project if the well is productive.

- Red Tank 4 Federal West Zone 1 & Zone 2 CTB Exhibit F
 - o Direction to facility
 - o Facility pad location layout and cut and fill
 - o Facility pad archeological boundary
 - o Facility pad flowline corridor
 - o Facility pad access road

Gas Pipeline Specifications

- Cimarex plans to construct an off-lease gas pipeline to service this battery location.
- Please see Exhibit G for proposed pipeline route.
- Three pipelines: 12" LP Steel, 8" HP Steel, 4" HP Steel.
- Pipeline Length: 29,058'. Pipeline Width: 45'.
- Pipeline will be buried and will require a construction width of 75'.
- MAOP: 1,440psi.
- Anticipated working pressure: 12": 300psi; 8" & 4": 1100 psi.
- A ROW application will be submitted to the BLM for the proposed route.

Oil Pipeline Specifications

- Cimarex plans to construct an off-lease oil pipeline to service this battery location.
- Please see Exhibit Q for proposed pipeline route.
- Three pipelines: 12" LP Steel, 8" HP Steel, 4" HP Steel.
- Pipeline Length: 9,755'. Pipeline will be buried
- MAOP: 1,440psi.
- Anticipated working pressure: 12": 300psi; 8" & 4": 1100 psi
- A ROW application will be submitted to the BLM for the proposed route

Salt Water Disposal Specifications

- Cimarex plans to construct an off-lease SWD pipeline to service this battery location.
- Please see Exhibit H for proposed pipeline route.
- Three pipelines: Two 4" Surface Fiberspar & 12" Buried poly. All pipelines follow the same route.
- Length: 11,948'.
- MAOP: 4" line: 120psi; 12" line: 150psi.
- Anticipated working pressure: 4" line: 110psi; 12": 225 psi.
- A ROW application will be submitted to the BLM for the proposed route.

Power Lines

- Cimarex plans to construct an on-lease power line to service the Red Tank 4 Fed W2W2 pad & West Zone 1 & 2 CTB.
- Overhead power line from an existing power source located in the SW/4 of Sec 4-23S-32E.
- Length: 1,533'.
- Poles: 6
- Specifications: 480 volt, 4 wire, 3 phase.
- Please see Exhibit I for proposed route.

Well Site Location

- Proposed well pad/location layout Exhibit J.
- Proposed Rig layout Exhibit K
 - The rig layout, including V-door and flare line may change depending on rig availability. The pad dimensions and orientation will remain the same. No additional disturbance is anticipated if a rig layout change is necessary to accommodate the drilling rig. If additional disturbance is required a sundry notice will be submitted to the BLM for approval.
 - Mud pits in the closed circulation system will be steel pits and the cuttings will be stored in the steel containment pits.
 - o Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- Archeological boundary Exhibit L
- Multi well pad: Red Tank 4 Federal 57H thru 70H
- Pad Size: 500X560
- Construction Material
 - If possible, native caliche will be obtained from the excavation of drill site. The primary way of obtaining caliche will be by "turning over" the location. This means caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2,400 cu yds is the max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:
 - The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
 - An approximate 120' x 120' area is used within the proposed well site to remove caliche.
 - Subsoil is removed and piled alongside the 120' x 120' area within the pad site.
 - When caliche is found, material will be stockpiled within the pad site to build the location and road.
 - Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
 - Once well is drilled, the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in Exhibit J - Layout Diagram.
 - In the event that no caliche is found onsite, caliche will be hauled in from BLM-approved caliche pit in Sec 15-23S-32E or Sec 32-23S-32E.
 - o Mud pits in the closed circulation system will be steel pits and the cuttings will be stored in steel containment pits.
 - Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- If the well is a producer, those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements. Exhibit P: Interim Reclamation Diagram.
- There are no known dwellings within 1.5 miles of this location.

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: 4,993'.
 - o MAOP: 1,500 psi; Anticipated working pressure: 200-300 psi.
 - Please see Exhibit M for proposed on lease route.
- Gas Lift Pipeline
 - o Cimarex Energy plans to construct on-lease gas lift pipelines to service the well.
 - o 6" HP steel for gas lift.
 - o Length: 4,993'.
 - o MAOP: 1,500 psi; Anticipated working pressure: 200-300 psi.
 - Please see Exhibit N for proposed on lease route.

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: 675'.
- 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: 6/19/2018 BLM Personnel on site: Jeff Robertson Cimarex Energy personnel on site: Barry Hunt Pertinent information from onsite:



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



09/09/2019

APD ID: 10400035746

Operator Name: CIMAREX ENERGY COMPANY

Well Name: RED TANK 4 FEDERAL

Well Type: OIL WELL

Submission Date: 11/07/2018

Well Number: 58H Well Work Type: Drill

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: I ask dataction evetam attachment.

PWD disturbance (acres):

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

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:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD disturbance (acres):

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?

| Operator Name: CIMAREX ENERGY COMPANY |
|---------------------------------------|
| Well Name: RED TANK 4 FEDERAL |

Well Number: 58H

| 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: | PWD disturbance (acres): |
| Injection PWD discharge volume (bbl/day): | |
| Injection well mineral owner: | |
| Injection well type: | |
| Injection well number: | Injection well name: |
| Assigned injection well API number? | 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:

Surface discharge PWD discharge volume (bbl/day):

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:

PWD disturbance (acres):

PWD disturbance (acres):

Il API number:

Well Name: RED TANK 4 FEDERAL

Well Number: 58H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

VAFMSS

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

Submission Date: 11/07/2018

Well Number: 58H

Well Work Type: Drill

Operator Name: CIMAREX ENERGY COMPANY

Well Name: RED TANK 4 FEDERAL

Well Type: OIL WELL

APD ID: 10400035746

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:

Show Final Text

Bond Info Data Report

all set