| [*] Form 3160-5 (June 2015) | | UNITED STATES | NTERIOR | oc | D Hobbs | FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 | | |
|---|--|--|--|---|------------------------------------|---|-----------------------|--|
| | | JREAU OF LAND MANA | ELLS | | 5. Lease Serial No. NMNM4314 | | | |
| D ab | o not use this | s form for proposals to I. Use form 3160-3 (API | drill or to re- | enter an | HODD | 6. If Indian, Allottee or | Tribe Name | |
| | SUBMIT IN T | RIPLICATE - Other inst | ructions on | | MAY | 7. HUnit or CA/Agree | ment, Name and/or No. | |
| 1. Type of Well | Gas Well 🔲 Oth | er | | | MAY 25 | 28. Well Name and No. PIPELINE B6 FED | | |
| 2. Name of Operator CIMAREX ENER | RGY COMPAN | VY OF CO-Mail: acrawford@ | AMITHY CR | AWFORD | KECEI | API Well No. 230025-38045-00 | 0-S1 | |
| 3a. Address 202 S CHEYEN TULSA, OK 74 | | TE 1000 | 3b. Phone No Ph: 432.62 | o. (include area code 0.1909 | e) | 10. Field and Pool or E EK-YATES-7RV | | |
| 4. Location of Well | (Footage, Sec., T. | , R., M., or Survey Description |) | | | 11. County or Parish, S | State | |
| | Sec 6 T19S R34E SENW 2310FNL 1980FWL 32.690563 N Lat, 103.601576 W Lon | | | | | LEA COUNTY, NM | | |
| 12. CH | ECK THE AF | PROPRIATE BOX(ES) | TO INDICA | TE NATURE (| OF NOTICE | , REPORT, OR OTH | IER DATA | |
| TYPE OF SUB | MISSION | | | TYPE O | OF ACTION | | | |
| 🛛 Notice of Inten | | Acidize | Dee | epen | Produc | tion (Start/Resume) | U Water Shut-Off | |
| _ | | Alter Casing | Hyd | draulic Fracturing | g 🗖 Reclan | nation | U Well Integrity | |
| Subsequent Re | port | Casing Repair | Nev | w Construction | Recom | plete | □ Other | |
| Final Abandon | ment Notice | Change Plans | | g and Abandon | - | Temporarily Abandon | | |
| | | Convert to Injection | 🛛 Plu | g Back | U Water | Disposal | | |
| following completion testing has been con- determined that the | on of the involved npleted. Final At site is ready for f tfully requests | to plugback the Bone Sp | sults in a multip ed only after all | le completion or re requirements, inclu | completion in a uding reclamati | new interval, a Form 316 on, have been completed a | 0-4 must med unce | |
| Notify BLM 24 h | ours prior to s | tarting operations | | | | | | |
| 2. MIRU Pulling 3. LOTO pumpi 4. TOOH w/ Ro 5. PU 4-3/4" bit 6. TOOH, LD bi 7. TIH to_9,025 LPC | unit. ng unit. ds, Pump, and and 5-1/2" cas t and scraper. and set CIBP. Afs Attac | sing scraper. RIH to 9,030 PU 5-1/2" CIBP. 9995 | | otential danger | s. | ŕ | | |
| 14. I hereby certify the | at the foregoing is | true and correct. Electronic Submission # For CIMAREX EN | 369671 verifie | d by the BLM W | ell Informatio | on System | | |
| | | nmitted to AFMSS for proc | | | | | | |
| Name (Printed/Typed) AMITHY CRAWFORD | | | | Title REGL | JLATORY AN | NALYST | | |
| Signature | Signature (Electronic Submission) Date 03/13/2017 | | | | | | | |
| / | / | THIS SPACE FO | DR FEDER | AL OR STATE | OFFICE U | JSE | | |
| Approved By | [Wal | 6 | | Title Er | ng | | Date 23/17 | |
| | holds legal or equ | d. Approval of this notice does uitable title to those rights in the act operations thereon. | | Office (F | Ð | | | |
| Title 18 U.S.C. Section 1 States any false, fictitie | 1001 and Title 43 ous or fraudulent | U.S.C. Section 1212, make it a statements or representations as | crime for any p to any matter w | erson knowingly ar vithin its jurisdiction | nd willfully to n n. | nake to any department or | agency of the United | |
| (Instructions on page 2) | ** BLM REV | ISED ** BLM REVISEI | D ** BLM R | EVISED ** BL | M REVISE | D ** BLM REVISE |) ** | |
| | | MUSB/E | ico 5/ | 25/2017 | | | | |

Additional data for EC transaction #369671 that would not fit on the form

32. Additional remarks, continued

- Release from the CIBP and PU 1 joint. Circulate well w/ 255 bbls of 2% KCL.
 RIH to 9024' and spot balanced plug w/ 35 sxs of class H cement on top of CIBP also covering the
- top of the Bone Spring formation. 10. PU tbg to 8,500'. Reverse circulate 75 bbls of 2% KCL. Add 25 Sx Plug from 7831-7631'

10. PU tbg to 8,500'. Reverse circulate 75 bbls of 2% KCL.
11. Allow proper time for cement to set up.
12. TIH and tag cement plug @ 8,572'.
13. TOOH. Standing back 2-7/8" tbg.
14. RU WL. TIH w/ Select fire perforating guns w/ gamma ray gun.
a. Correlate gamma ray back to Halliburton "Spectral Gamma, Dual Spaced Neutron, Spectral Density Log" dated 10-DEC-06 00:35:18
15. Perforate 7,418' - 7,422' w/ 3 SPF (15 Holes), 0.41" EH size, and 120-degree phasing.
16. RD WL. TIH w/ 7,350' of 2-7/8" to 6.5# L-80 Tbg and 2-7/8" x 5-1/2" treating packer.
a. Hydrotest 2-7/8" tbg to 8,000 psi while TIH.
17. Set packer in 20 pts compression at 7,350'.
18. RU Acid Company. Test lines to MOP: 8,000 psi.

- RU Acid Company. Test lines to MOP: 8,000 psi.
 Treat Perforation with 5,000 gals 15% NEFE HCL @ 5-7 BPM (whichever formation allows).

- a. Drop 3 ball sealers every 625 gals. 24 ball sealers total.
 b. Flush tbg w/ 50 bbls (2,100 gal) of 2% KCL at same rate.
 20. RU flowback equipment in such a way that production can be turned to the battery once hydrocarbons are detected.
- 21. Flowback well until it dies. (if well flows at all) 22. TOOH w. 2-7/8" tbg and packer. LD packer.
- 23. RIH w/ tbg, rods, and pump.
- 24. Return to production.

| | | Circum Energy Co. of Option do |
|--|---------------------|--|
| CURADEN | KB - 18.5' above GL | Cimarex Energy Co. of Colorado Pipeline B-6 Federal 3 |
| CIMAREX | ND - TO.5 ADOVE GL | 2310' FNL & 1980' FSL |
| | | Sec. 6, T-19-S, R-33-E, Lea Co., NM |
| | | E. Serrano 10/26/2015 |
| | | |
| | | 13-3/8" 48# H-40 csg @ 450' |
| | | cmtd w/390 sx, cmt circ |
| | | |
| | | 9-5/8'' 40# K-55 csg @ 3714' |
| | | cmtd w/ 1200 sx, cmt circ |
| | | |
| | | CURRENT |
| Rod Detail: 26' x 1-1/2'' SM Polish Rod | | - 304 jts 2-7/8" 6.5# 8rd J-55 Tbg |
| 1-2' Pony Rods 104 1" Grade 97 Rods 105 7/8" Grade 97 Rods 174 3/4" Grade 97 Rods 10 1-1/2" x 25' K-bars 1" Guided Lift Sub 25-125-26 RHBM | | BS - 7731 |
| | | TAC @ 8773' |
| | | End of tbg @ 9919' |
| | | 1st Bone Spring: 9045' - 9076' (186 holes, 2007) 1st Bone Spring: 9362' - 9368' (54 holes, 2007) 2nd Bone Spring: 9571' - 9618' (246 holes, 2007) 2nd Bone Spring: 9834' - 9838' (24 holes, 2007) |
| | | 5-1/2" 17# P-110 @ 10205' cmtd w/835 sx |
| | PBTD @ 10074' | TOC @ 6359' (CBL) |
| Printed 3/2/2017 | TD @ 10205' | |





AFE No:

Procedure Sheet – Hobbs District PLEASE COMMENCE WITH WORK PER PROCEDURE

Pipeline B-6 Federal 3

Recomplete Well in Lower Brushy Canyon

Current Well Data:

| КВ | 18.5' above GL |
|----------|--|
| TVD/PBTD | 10,205'/10,074' |
| КОР | N/A Vertical Well |
| Perfs | 1 st /2 nd Bone Spring (9,045' – 9,838') |

Casing

| Size | Weight | Grade | Thread | Set at | Cmt | Remarks |
|---------|--------|-------|--------|--------|---------|-------------|
| 13-3/8" | 48# | H-40 | ST&C | 450' | 390 sx | cir cmt |
| 9-5/8" | 40# | K-55 | LT&C | 3714' | 1200 sx | cir cmt |
| 5-1/2" | 17# | P-110 | LT&C | 10205' | 835 sx | TOC @ 6359' |

Tubing

| Quantity | Description | Length | Setting Depth |
|----------|---------------------------------|----------|---------------|
| 270 | 2-7/8" 6.5# L-80 8rd EUE Tubing | 8,751.53 | 8770.03 |
| 1 | 2 7/8" X 5 1/2" TAC | 3.75 | 8773.78 |
| 34 | 2-7/8" 6.5# J-55 8rd EUE Tubing | 1,108.03 | 9881.81 |
| 1 | Mechanical seating nipple | 0.8 | 9882.61 |
| 1 | Perforated Sub | 4.1 | 9886.71 |
| 1 | Mud joint 2 7/8 bull plugged | 32.75 | 9919.46 |

Rods Quantity Description Length Setting Depth 1 Polish Rod 1.5" x 26' w 16' liner 26 26 1" x 2' N-97 2 28 1 104 1" Grade 97 Rods 2,600.00 2628 105 7/8" Grade 97 Rods 2,625.00 5253 174 3/4" Grade 97 Rods 4,350.00 9603 1 1/2" Sinker Bar 10 250 9853 1" Steel guided rod 9855 1 2 1 **RightHand Release Tool** 2 9857 1 25-125-26-6 RHBM w top pack off, no gas anchor 27 9884

Procedure:

Notify BLM 24 hours prior to starting operations

1. Hold operational safety meeting on location; discuss all risk and potential dangers.

Page 1 of 2 Please call Kody Murphy at 432.620.1951 if you have any questions



- 2. MIRU Pulling unit.
- 3. LOTO pumping unit.
- 4. TOOH w/ Rods, Pump, and Tbg.
- 5. PU 4-3/4" bit and 5-1/2" casing scraper. RIH to 9,030'.
- 6. TOOH, LD bit and scraper. PU 5-1/2" CIBP.
- 7. TIH to 9,025' and set CIBP.
- 8. Release from the CIBP and PU 1 joint. Circulate well w/ 255 bbls of 2% KCL.
- 9. RIH to 9024' and spot balanced plug w/ 35 sxs of class H cement on top of CIBP also covering the top of the Bone Spring formation.
- 10. PU tbg to \pm 8,500'. Reverse circulate 75 bbls of 2% KCL.
- 11. Allow proper time for cement to set up.
- 12. TIH and tag cement plug @ \pm 8,572'.
- 13. TOOH. Standing back 2-7/8" tbg.
- 14. RU WL. TIH w/ Select fire perforating guns w/ gamma ray gun.
 - a. Correlate gamma ray back to <u>Halliburton "Spectral Gamma, Dual Spaced Neutron,</u> Spectral Density Log" dated 10-DEC-06 00:35:18.
- 15. Perforate 7,418' 7,422' w/ 3 SPF (15 Holes), 0.41" EH size, and 120-degree phasing.
- 16. RD WL. TIH w/ 7,350' of 2-7/8" 6.5# L-80 Tbg and 2-7/8" x 5-1/2" treating packer.
 a. Hydrotest 2-7/8" tbg to 8,000 psi while TIH.
- 17. Set packer in 20 pts compression at 7,350'.
- 18. RU Acid Company. Test lines to MOP: 8,000 psi.
- 19. Treat Perforation with 5,000 gals 15% NEFE HCL @ 5-7 BPM (whichever formation allows).
 - a. Drop 3 ball sealers every 625 gals. 24 ball sealers total.
 - b. Flush tbg w/ 50 bbls (2,100 gals) of 2% KCL at same rate.
- 20. RU flowback equipment in such a way that production can be turned to the battery once hydrocarbons are detected.
- 21. Flowback well until it dies. (if well flows at all)
- 22. TOOH w. 2-7/8" tbg and packer. LD packer.
- 23. RIH w/ tbg, rods, and pump.
- 24. Return to production.

Page **2** of **2** Please call Kody Murphy at 432.620.1951 if you have any questions

AFE No:

DISTRICT I 1625 N. French Dr., Hobbs, NM 68240 DISTRICT II 1301 W. Grand Avenue, Artesis, NM 68210

6

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | | | Pool Code | | | Pool Name | | | | | |
|--|--|---|---|----------------------------|--|---|--|--|---|--|--|
| 30-025-38045 | | | 96531 Dios Ma | | | | | no, Delaware, South | | | |
| | Property Name | | | | | | Well Number 3 | | | | |
| OGRID No. | | | Operat | or Nam | e | | | Elevation | | | |
| | CIM | AREX E | NERGY | CO. | OF COLORADO |) | | 3804' | | | |
| | | | Surface | e Loca | ation | | | | | | |
| Township | Range | Lot Idn | Feet from | n the | North/South line | F | eet from the | East/West line | County | | |
| 19 S | 34 E | | 23 | 10 | NORTH | | 1980 | WEST | LEA | | |
| Bottom Hole Location If Different From Surface | | | | | | | | | | | |
| Township | Range | Lot Idn | Feet from | n the | North/South line | F | eet from the | East/West line | County | | |
| | | | | | | | | | | | |
| r Infill Co | nsolidation | | | | | | | | | | |
| | | N | SL-544 | 1, NS | SP-1901 | | | | | | |
| | | | | | | | | EEN CONSOLID | ATED | | |
| UN A I | TON-DIAN | | III IIAO | DEEN | ATTROVED DI | _ | DIVIDION | | | | |
| | | | | | | | OPERATO | OR CERTIFICAT | TION | | |
| MSPCE-N C | 3'36'05.6" 515746.846 766.471.104 | | | | | | All Signature All Printed Nam SURVEYO I hareby certify on this plot we cetual aurupa supervison on correct to th | Thy Crawfor thy Crawfor PR CERTIFICAT that the well locat so plotted from field made by me or d that the word so best of my bells FL23006 | 3/2017 Date | | |
| | Township 19 S Township r Infill Co 7 ILL BE A: OR A N OR | 5 9 CIM Township Range 19 S 34 E Bottom Township Range r Infill Consolidation Township Range r Infill Consolidation OR A NON-STAN | 5 96531 PIPEL CIMAREX E Township 19 S 34 E Bottom Hole Low Township Range Lot Idn r Infill Consolidation Code Or NILL BE ASSIGNED TO THIS OR A NON-STANDARD UN GR NON-STANDARD UN a805.8' _3809.4 I I I I I J I I I J I I I J I I I J I I I J I I I J I I I J I I I J II I I J II I I J III I I J IIIIII IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII | ed #3 2 3805.8' | -5 96531 Property Nam PIPELINE "B-6" I Operator Nam CIMAREX ENERGY CO. Surface Loca Township Range Lot Idn Feet from the 19 S 34 E 2310 Bottom Hole Location If Diffe Township Range Lot Idn Feet from the r Infill Consolidation Code Order No. NSL-5441, NS r Infill Infill Infill Infill Infill ed #3 2 Infill Infill Infill Infill Infill 3805.8' _3809.4 Infill Infill Infill Infill Infill Infill Infill <td>5 96531 Dios M Property Name PIPELINE "B-6" FEDERAL Operator Name CIMAREX ENERGY CO. OF COLORADO Surface Location Township Range Lot Idn Feet from the North/South line 19 S 34 E 2310 NORTH Bottom Hole Location If Different From Sur Township Range Lot Idn Feet from the North/South line r Infill Consolidation Code Order No. NSL-5441, NSP-1901 TILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEL OR A NON-STANDARD UNIT HAS BEEN APPROVED BY Image JOUL: # JOUL</td> <td>5 96531 Dios Man Property Name PIPELINE "B-6" FEDERAL Operator Name CIMAREX ENERGY CO. 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BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822.

3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. **Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. <u>Subsequent Plug back Reporting</u>: Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date work was completed.</u>

7. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

4

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken: From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted