<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II

7-17-2017

432-620-1936

State of New Mexico Energy, Minerals & Natural Responses

Form C-104 Revised August 1, 2011

811 S. First St., A District III	Artesia,	NM 882	10		O:	1 Concomination	on Divisio	24.	00	Submit	ne co	py to ap	opropriate District Office			
1000 Rio Brazos	Rd., Az	tec, NM	87410		12	1220 Sand St. Family D. 7 0 00										
District IV 1220 S. St. France	eis Dr. S	Santa Fe	NM 87	505	12	Santa Fe, NM 8750 AMENDED REPORT ALLOWABLE AND AUTHORIZATION TO TRANSPORT										
1220 S. St. Franc	I.	R1	EOU	EST FO	RALI	OWARLE.	AND ALL	FIG	RIVA	LION '	то т	TRANS	SPORT			
¹ Operator n		d Addr	ess		KALL	OWADLE	ANDAUI	110	² OGR	Num	her	IVALV	STORT			
Cimarex Ene									OUN	ID Mulli	DCI	215099	9			
600 N. Mari			Suite	600								ode/ Eff	ective Date			
Midland, TX			5.5						NW -	02/28/17						
												⁶ Pool Code 96603				
⁷ Property C	perty Nan				9 Well Number											
395			110	perty Ivan		riste Draw 25 F	ederal				\ \v	5H				
II. 10 Su	rface]	Locati	on													
Ul or lot no.		n Tov		Range	Lot Idn	Feet from the North/South Line			Feet from the East/V			West lin	Vest line County			
P	25	2	3S	32E		310	South		1270)	Eas	Lea				
11 Bo	ttom 1	Hole I	ocatio	on		•							<u> </u>			
UL or lot no.	Sectio		vnship	Range	Lot Idn	the state of the second state of		line		om the	East/\	West line				
A	25	2	23S	32E		330	North		424	1	Eas	t	Lea			
12 Lse Code	¹³ Pro	ducing M	lethod	14 Gas Co		15 C-129 Pern	nit Number	16 (C-129 Ef	fective D						
F		Code P		3/18/17 Da	ite											
III. Oil a	and G	as Tra	nspor	ters												
18 Transpor						19 Transpor	ter Name					T	²⁰ O/G/W			
OGRID				and Address												
21778						Sunoco Inc	c. R & M									
						P O Box 2039)· Tulsa OK									
						1 O BOX 2007	, Tuisa Oik									
36785			DCP Midstream.													
370 17th St., Ste 2500 Denver CO																
4104-03403-100008-100-100-14-04-00-00-0												Elevation				
MARY CLARE A POCLES ACTOR	In the second											E SERVICIO DE LA CONTRACTOR DE LA CONTRA				
IV. Well	Com	pletio	n Data	ı												
²¹ Spud Da	ite	22	Ready			²³ TD	²⁴ PBTI)		erforati			²⁶ DHC, MC			
1/13/17			2/28/1			14396	14393			710-1437	78					
27 Ho	ole Size			28 Casing	& Tubir	ig Size	²⁹ De	pth Se	et			³⁰ Sa	icks Cement			
17	1/2"				13 3/8"		1.	325'				1	1070 - Circ			
12	-1/4"				9 5/8"		4	968'					1470 Circ			
8	1/2"				5 1/2"		14	396'					2090 Circ			
					2-3/8"		9.	446'								
V. Well	Test I)ata														
31 Date New			s Delive	ery Date	33 r	Γest Date	³⁴ Test	Lengt	h	35 Tbg	g. Pres	sure	³⁶ Csg. Pressure			
3/11/17			3/18/1	17	3-26-17					602			467			
³⁷ Choke S	ize		³⁸ Oi	1	39	Water	40 (Gas					41 Test Method			
40/64			785			1850		54					2 550 1.2001100			
					1											

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and befrief. OIL CONSERVATION DIVISION Approved by: Signature: Printed name Title: Petroleum Engineer Terri Stather Approval Date: Title: Regulatory E-mail Address: tstathem@cimarex.com C-104 TEMPORARY APPROVAL pending receipt of approved Date: Phone:

BLM forms attached

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO. 1004-0137

Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

Case Serial No. NMLC063228

abandoned we	II. Use form 3160-3 (APD) for s	such proposals.	1 7 2017 6.	If Indian, Allottee or Tri	be Name						
SUBMIT IN T	TRIPLICATE - Other instruction	ns on page 2 REC	CEIVED	If Unit or CA/Agreemen	it, Name and/or No.						
1. Type of Well	8.	8. Well Name and No. TRISTE DRAW 25 FEDERAL 5H									
2. Name of Operator CIMAREX ENERGY COMPANY Contact: AMTITHY E CRAWFORD E-Mail: acrawford@gmail.com Contact: AMTITHY E CRAWFORD 30-025-42105-00-X1											
3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area											
202 S CHEYENNE AVE SUITE 1000 Ph: 432-620-1909 TRISTE DRAW-DELAWARE TULSA, OK 74103 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State											
1	1. County or Parish, State										
Sec 25 T23S R32E SESE 370 32.269494 N Lat, 103.623858	DFSL 1270FEL W Lon			LEA COUNTY, NM							
12. CHECK THE AI	PPROPRIATE BOX(ES) TO IN	DICATE NATURE OF	F NOTICE, RI	EPORT, OR OTHER	RDATA						
TYPE OF SUBMISSION											
■ Notice of Intent	☐ Acidize	□ Deepen	☐ Production	(Start/Resume)	Water Shut-Off						
	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	on C	■ Well Integrity						
☐ Subsequent Report	□ Casing Repair	■ New Construction	□ Recomplet		⊠ Other						
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	☐ Temporari	IV Anandon	/enting and/or Flari						
	☐ Convert to Injection	☐ Plug Back	☐ Water Disp	oosal							
determined that the site is ready for f Cimarex requests to flare app to compressor problems	roximately 2600 mcf through Api	•	ne 30th 2017 d	ue	пе орегатог наѕ						
14. I hereby certify that the foregoing is	Electronic Submission #371804	verified by the BLM Well GY COMPANY, sent to t	I Information S	ystem							
	itted to AFMSS for processing by	DEBORAH MCKINNEY	on 04/06/2017 (1								
Name (Printed/Typed) AMTITHY	E CRAWFORD	Title REGUL	Title REGULATORY ANALYST								
Signature (Electronic S	Submission)	Date 03/31/20	017								
	THIS SPACE FOR FE	DERAL OR STATE	OFFICE USE								
Approved By OMAR ALOMAR		TitlePETROLE	LIM ENGINEE	R	Date 07/10/2017						
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the applicant the a	uitable title to those rights in the subject	rant or									
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a crime fo	r any person knowingly and	willfully to make	to any department or age	ncy of the United						

(Instructions on page 2)
*** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **



BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

CIMAREX ENERGY CO. OF COLORADO TRISTE DRAW 25 FEDERAL COM 5H NMLC063228

07/10/2017

Pursuant to, 43 CFR 3179

Lessees or operators are hereby authorized to vent or flare gas on a short-term basis without incurring a royalty obligation in the following circumstances:

- A. 43 CFR 3179.105 Emergencies (a) An operator may flare or, if flaring is not feasible given the emergency, vent gas royalty-free under §3179.4 (a) (vi) of this subpart during an emergency. For purposes of this subpart, an "emergency" is a temporary, infrequent and unavoidable situation in which the loss of gas or oil is uncontrollable or necessary to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment. For purposes of royalty assessment, an "emergency" is limited to a short-term situation of 24 hours or less (unless the BLM agrees that the emergency conditions necessitating venting or flaring extend for a longer period) caused by an unanticipated event or failure that is out of the operator's control and was not due to operator negligence.
- B. 43 CFR 3179.4 **Determining when the loss of oil or gas is avoidable or unavoidable**. (2) *Avoidably lost oil* or gas means: Lost oil or gas that is not "unavoidably lost," as defined in paragraph (a) of this section; waste oil that became waste oil through operator negligence; and, any "excess flared gas," as defined in §3179.7.
- C. 43 CFR 3179.5 When lost production is subject to royalty.
 - (a) Royalty is due on all avoidably lost oil or gas.
 - (b) Royalty is not due on any unavoidably lost oil or gas.

Condition of Approval to Flare Gas

- 1. The first 24 hours of a <u>temporary emergency flare</u> is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- 2. Flared volumes considered to be "avoidably lost": These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179. Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

If the operator believes that the flared volumes were "unavoidably lost" and the BLM determines them to be "avoidably lost", the operator can submit a more detailed request via Sundry Notice (Form 3160-5) for an exception in accordance with 43 CFR 3179.4, 3179.103 - 3179.105. As an alternative to producing oil and flaring gas the operator may choose to shut the well in and avoid paying royalties on otherwise avoidably lost gas.

- 3. Approval not to exceed 90 days, (<u>from 04/01/2017 to 06/30/2017</u>), if flaring is still required past 60 days submit new request for approval.
- 4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a Sundry Notice (Form 3160-5). Include method for volume determination and duration. Report unavoidably lost (first 24 hrs. of unexpected event) and avoidably lost (exceeding the first 24 hrs. or flared gas that has been approved as avoidably lost by the Authorized Officer) volumes and durations on the Subsequent Report.
- 5. In determining the volumes of gas to be reported, shall be in accordance with 43 CFR 3179.4, 43 CFR 3179.5, 43 CFR 3179.9 and 43 CFR 3179.10
- 6. The operator must estimate or measure all volumes of gas vented or flared gas by one of the following methods.
 - i. Measure the flare gas by a meter. The meter shall meet all requirements for a sales meter as per Federal Regulations, 43 CFR 3175. Include meter serial number on Sundry Notice (Form 3160-5).
 - ii. Calculate the volume of the flared gas based on the results of a regularly performed GOR test and measured values for the volumes of oil production and gas sales, so as to allow BLM to independently verify the volume, rate, and heating value of the gas flared.

Regulation Ref: Link to 43 CFR 3179 Waste Prevention and Resources Conservation; https://www.ecfr.gov/cgi-

 $\frac{bin/retrieveECFR?gp=1\&SID=dbd49eda8cdc488870172ed096d47be9\&ty=HTML\&h=L\&mc=true\\\&n=sp43.2.3170.3179\&r=SUBPART}$

HOBBS OCD

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

JUL 1 8 2017

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

	WELL	OMPL	ETION C	R REC	OMP	LETIC	ON RE	EPO	RI	AND L	OG	En			ase Serial MLC0632		
1a. Type of	Well 🛛	Oil Well	Gas 1	Well [Dry		Other					the same		6. If	Indian, All	ottee o	r Tribe Name
b. Type of	Completion		ew Well	☐ Work	Over	□ D ₁	eepen		Plug	Back	☐ Dif	ff. Resv	r.	7. Ur	nit or CA A	greem	ent Name and No.
	2. Name of Operator Contact: TERRI STATHEM 8. Lease Name and Well No. CIMAREX ENERGY COMPANY E-Mail: tstathem@cimarex.com TRISTE DRAW 25 FEDERAL 5H																
	3. Address 202 S CHEYENNE AVE., STE. 1000 TULSA, OK 74103 TULS																
4. Location	4. Location of Well (Report location clearly and in accordance with Federal requirements)* 10. Field and Pool, or Exploratory TRISTE DRAW BS																
	At surface SESE 310FSL 1270FEL At top prod interval reported below SESE 310FSL 1270FEL 11. Sec., T., R., M., or Block and Survey or Area Sec 25 T23S R32E Mer																
1 1	At top prod interval reported below SESE STOPSE 1270FEL 12. County or Parish LEA NM																
At total depth NENE 330FNL 424FEL LEA NM 14. Date Spudded 15. Date T.D. Reached 16. Date Completed 17. Elevations (DF, KB, RT, GL)*																	
01/13/2017																	
18. Total Depth: MD TVD 14396 9850 19. Plug Back T.D.: MD TVD 14393 14393 20. Depth Bridge Plug Set: MD TVD																	
21. Type E NONE	lectric & Oth	er Mecha	nical Logs R	un (Submi	it copy o	of each)					W	as well as DS7 irection	Γrun?		⊠ No	TYes	s (Submit analysis) s (Submit analysis) s (Submit analysis)
23. Casing ar	nd Liner Reco	ord (Repo	ort all strings	set in wel	1)												
Hole Size	Size/G	rade	Wt. (#/ft.)	Top (MD)	100	ottom (MD)	Stage	Ceme Depth	enter		of Sks. & of Ceme		Slurry (BB	5 100000	Cement '	Гор*	Amount Pulled
17.500	13.3	375 H40	75 H40 48.0 0 1325 1070								0						
12.250	9.	625 J55	40.0		0	0 4968					1	1470				0	
8.500	5.	500 L80	23.0		0	14396	3				2	090				0	
	-				+		-					_					
					+		+					_		_			
24. Tubing	Record																
Size	Depth Set (M	ID) P	acker Depth	(MD)	Size	Dep	th Set (I	MD)	P	acker Dej	pth (MD	0)	Size	De	pth Set (M	D)	Packer Depth (MD)
2.375		9446		9446													
25. Producii	ng Intervals					26	. Perfor							_			
	ormation		Тор		Bottom		I	Perfora		Interval		_	Size	_	lo. Holes		Perf. Status
A)	BONE SPI	RING		9710	143	378	9710 TO 14378				0.43	30	684	OPE	N		
B) C)		_				+						+-		+		_	
D)						_								+			
	acture, Treat	ment, Cer	nent Squeeze	e, Etc.													
	Depth Interva	ıl							Aı	nount and	d Туре (of Mate	rial				
	971	0 TO 143	378 941028	BBLS TO	TAL FL	UID, 13	220747#	# SANI	D.								
																-	
			_														
28 Producti	ion - Interval	Λ															
Date First	Test	Hours	Test	Oil	Gas		Water	To	Oil Gr	avity	G	as		Producti	on Method		
Produced 03/11/2017	Date 03/26/2017	Tested 24	Production	785.0	MCF	54.0	BBL 1850		Corr. A	API 44.9	G	ravity				GAS L	IET
Choke	Tbg. Press.	Csg.	24 Hr.	Oil	Gas	_	Water	-	Gas:O		w	ell Status				GASI	-11-1
Size 40/64		Press. 467.0	Rate	BBL 785	MCF		BBL 1850	F	Ratio	1597	"	POV					
	tion - Interva						,,,,,										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF		Water BBL		Oil Gr			as ravity		Producti	on Method		100000000000000000000000000000000000000
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF		Water BBL		Gas:O Ratio	11	l w	'ell Status					

28b Proc	luction - Interv	al C												
Date First	ate First Test Hours		Test	Oil	Gas	Water	Oil Gravity		Gas		Production Method			
Produced	Date	Tested	Production	BBL	MCF	BBL	Corr. API		Gravity					
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio		Well State	us				
Size	SI	11033.					Train 0							
28c. Proc	luction - Interv	al D												
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API		Gas Gravity	Production Method				
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio		Well State	us				
29. Dispo	osition of Gas	Sold, usea	for fuel, ven	ted, etc.)										
	nary of Porous	Zones (I	nclude Aquife	ers).					13	31 For	rmation (Log) Markers			
Show tests,	all important including dept ecoveries.	zones of p	porosity and c	ontents there	eof: Cored e tool oper	intervals and n, flowing and	l all drill-sten d shut-in pres	n ssures						
	Formation		Тор	Bottom		Description	ons, Contents	nts, etc.			Name	Top Meas. Depth		
BONE SF	CANYON	(include p	3500 3870 6240	3870 4795 7600	W	ATER ATER ATER OIL C	GAS			RUSTLER 270 SALT 580 7 RIVERS 1910 CHERRY CANYON 3870 BONE SPRING 6240 WOLFCAMP 9850				
	e enclosed atta		zs (1 full set r	eg'd.)		2. Geologic	c Report		3. D	ST Re	eport 4. Directi	onal Survey		
	andry Notice fo					6. Core An			7 Ot					
34. I here	eby certify that	the foreg	_								e records (see attached instruc	tions):		
			Elect	ronic Subm For C	ission #38 IMAREX	81539 Verifie ENERGY C	d by the BL	M Well In sent to th	iformat ie Hobb	ion Sy	ystem.			
Name	e (please print)	TERRI	STATHEM				Tit	tle MANA	GER R	EGUI	LATORY COMPLIANCE			
Signa	nture	(Electro	nic Submiss	ion)			Da	Date 07/17/2017						
							_							
Title 18 of the Ur	U.S.C. Section nited States any	1001 and y false, fic	Title 43 U.S ctitious or frac	C. Section 1	212, make	e it a crime fo presentations	r any person as to any ma	knowingly tter within	y and wi	illfully	to make to any department or n.	agency		