

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

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 abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0559539

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
JAMES 19 FEDERAL 29H9. API Well No.
30-025-41967-00-X110. Field and Pool or Exploratory Area
WILDCAT;WOLFCAMP11. County or Parish, State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CIMAREX ENERGY COMPANY OF CO

Contact: TERRI STATHEM

E-Mail: tstatthem@cimarex.com

3a. Address

202 S CHEYENNE AVE. SUITE 1000
TULSA, OK 74103

3b. Phone No. (include area code)

Ph: 432-620-1936

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T23S R32E NWNE 0330FNL 2310FEL
32.174678 N Lat, 103.424566 W Lon

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Cimarex respectfully requests approval for an off pad battery to services the James 19 Federal wells including the James 19 Federal #29H.

Please see attached diagrams and plats for approval:

James 19 Federal East CTB battery:
450' X 400' battery pad
Flowline Corridor Plat

Other off lease infrastructure requiring ROW approval included for review only:

8131' proposed access road - ROW application submitted for approval
12066' proposed Gas pipeline - ROW application submitted for approval
66402' proposed SWD pipeline - ROW application submitted for approval

NR JB 7-5-18 DOI-BLM-NM-P020-2018-0557-EA

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #392110 verified by the BLM Well Information System

For CIMAREX ENERGY COMPANY OF CO, sent to the Hobbs

Committed to AFMSS for processing by PRISCILLA PEREZ on 11/06/2017 (18PP0183SE)

Name (Printed/Typed) TERRI STATHEM

Title MANAGER REGULATORY COMPLIANCE

Signature (Electronic Submission)

Date 10/17/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Cody R. Layton

Title

AFM

Date

07/13/2018

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

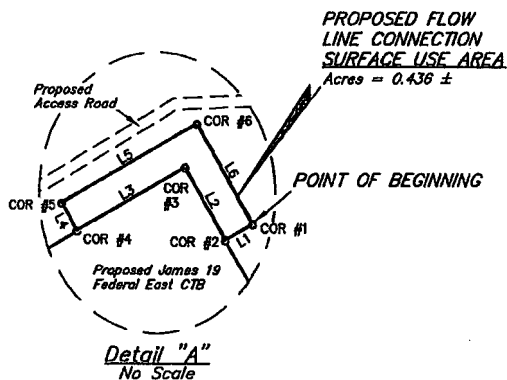
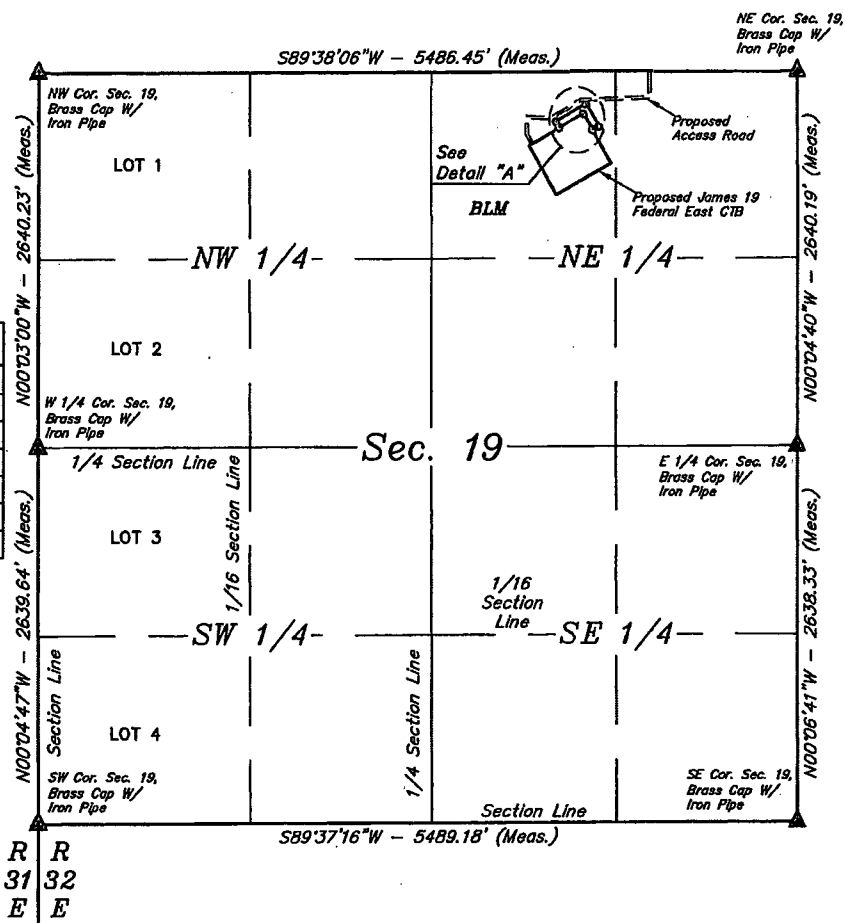
(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

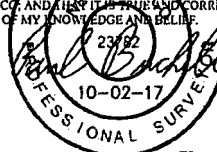
Additional data for EC transaction #392110 that would not fit on the form

32. Additional remarks, continued

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S60°27'51"W	50.00'
L2	N29°32'09"W	130.00'
L3	S60°27'51"W	200.00'
L4	N29°32'09"W	50.00'
L5	N60°27'51"E	250.00'
L6	S29°32'09"E	180.00'



CERTIFICATE
THIS IS TO CERTIFY THAT THIS SUA PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



▲ = SECTION CORNERS LOCATED.

NOTES:
• Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

FILE: 61279-A1

Sheet 1 of 2

CIMAREX ENERGY CO.

JAMES 19 FEDERAL EAST CTB
NW 1/4 NE 1/4, SECTION 19, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO

SURVEYED BY	J.J., R.G.	09-08-17	SCALE
DRAWN BY	S.F.	09-28-17	1" = 1000'
FLOW LINE CONNECTION SUA EXHIBIT F			



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



FLOW LINE CONNECTION SURFACE USE AREA DESCRIPTION

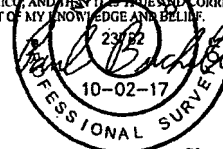
BEGINNING AT A POINT IN THE NW 1/4 NE 1/4 OF SECTION 19, T23S, R32E, N.M.P.M., WHICH BEARS S74°25'03"W 1499.80' FROM THE NORTHEAST CORNER OF SAID SECTION 19, THENCE S60°27'51"W 50.00'; THENCE N29°32'09"W 130.00'; THENCE S60°27'51"W 200.00'; THENCE N29°32'09"W 50.00'; THENCE N60°27'51"E 250.00'; THENCE S29°32'09"E 180.00' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS A TRANSVERSE MERCATOR PROJECTION WITH A CENTRAL MERIDIAN OF W103°53'00". CONTAINS 0.436 ACRES MORE OR LESS.

JAMES 19 FEDERAL EAST CTB			
SECTION CORNER	DESCRIPTION	LATITUDE (NAD 83)	LONGITUDE (NAD 83)
NW COR. SEC. 19, T23S R32E	BRASS CAP W/ IRON PIPE	N 32°17'49.90"	W 103°43'22.66"
NE COR. SEC. 19, T23S R32E	BRASS CAP W/ IRON PIPE	N 32°17'50.16"	W 103°42'18.75"
E 1/4 COR. SEC. 19, T23S R32E	BRASS CAP W/ IRON PIPE	N 32°17'24.04"	W 103°42'18.76"
SE COR. SEC. 19, T23S R32E	BRASS CAP W/ IRON PIPE	N 32°16'57.93"	W 103°42'18.75"
SW COR. SEC. 19, T23S R32E	BRASS CAP W/ IRON PIPE	N 32°16'57.66"	W 103°43'22.68"
W 1/4 COR. SEC. 19, T23S R32E	BRASS CAP W/ IRON PIPE	N 32°17'23.78"	W 103°43'22.68"

JAMES 19 FEDERAL EAST CTB FLOW LINE CONNECTION SURFACE USE AREA		
CORNER	LATITUDE (NAD 83)	LONGITUDE (NAD 83)
1	N 32°17'46.20"	W 103°42'35.59"
2	N 32°17'45.95"	W 103°42'36.09"
3	N 32°17'47.07"	W 103°42'36.84"
4	N 32°17'46.10"	W 103°42'38.87"
5	N 32°17'46.53"	W 103°42'39.15"
6	N 32°17'47.75"	W 103°42'36.62"

POINT OF BEGINNING BEARS S74°25'03"W 1499.80' FROM THE NORTHEAST CORNER OF SECTION 19, T23S, R32E, N.M.P.M.

CERTIFICATE
THIS IS TO CERTIFY THAT THIS SUA PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



FILE: 61279-A2

Sheet 2 of 2

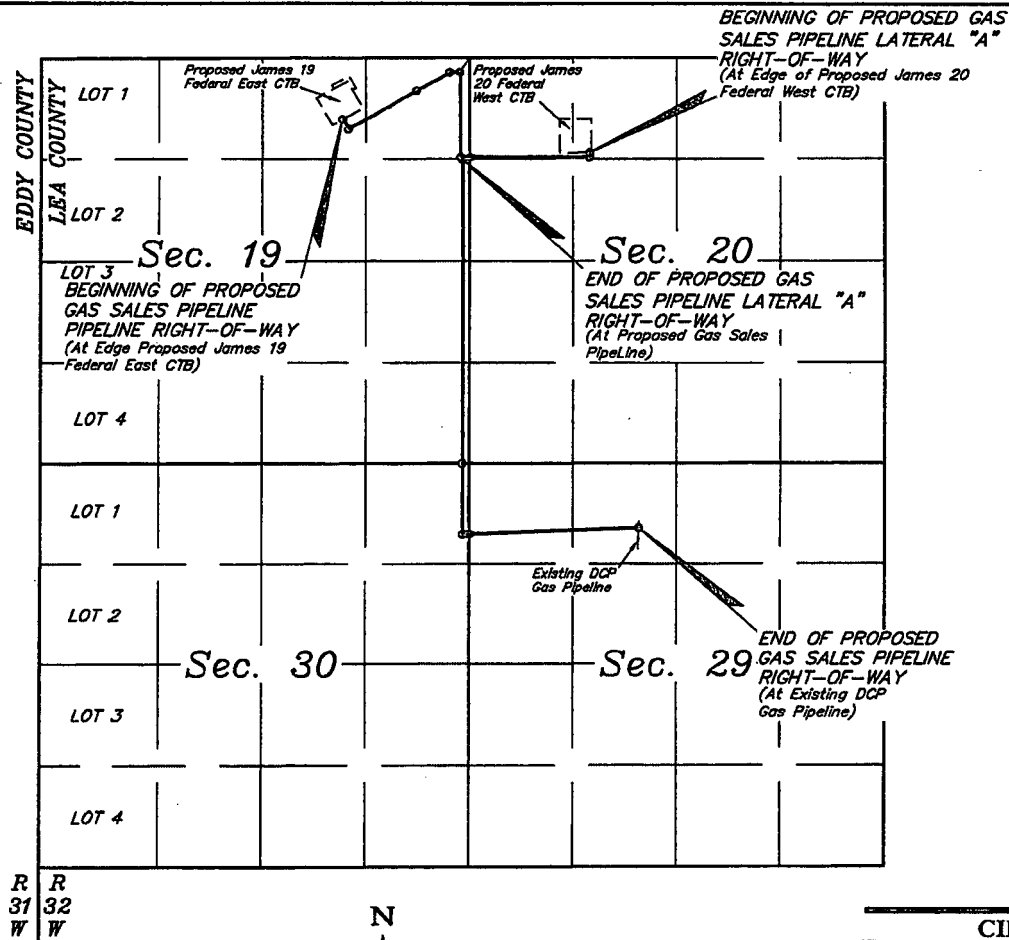
CIMAREX ENERGY CO.

JAMES 19 FEDERAL EAST CTB
NW 1/4 NE 1/4, SECTION 19, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO



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

SURVEYED BY	J.J., R.G.	09-08-17	SCALE
DRAWN BY	S.F.	09-28-17	N/A
FLOW LINE CONNECTION SUA EXHIBIT 1			



LEGEND:

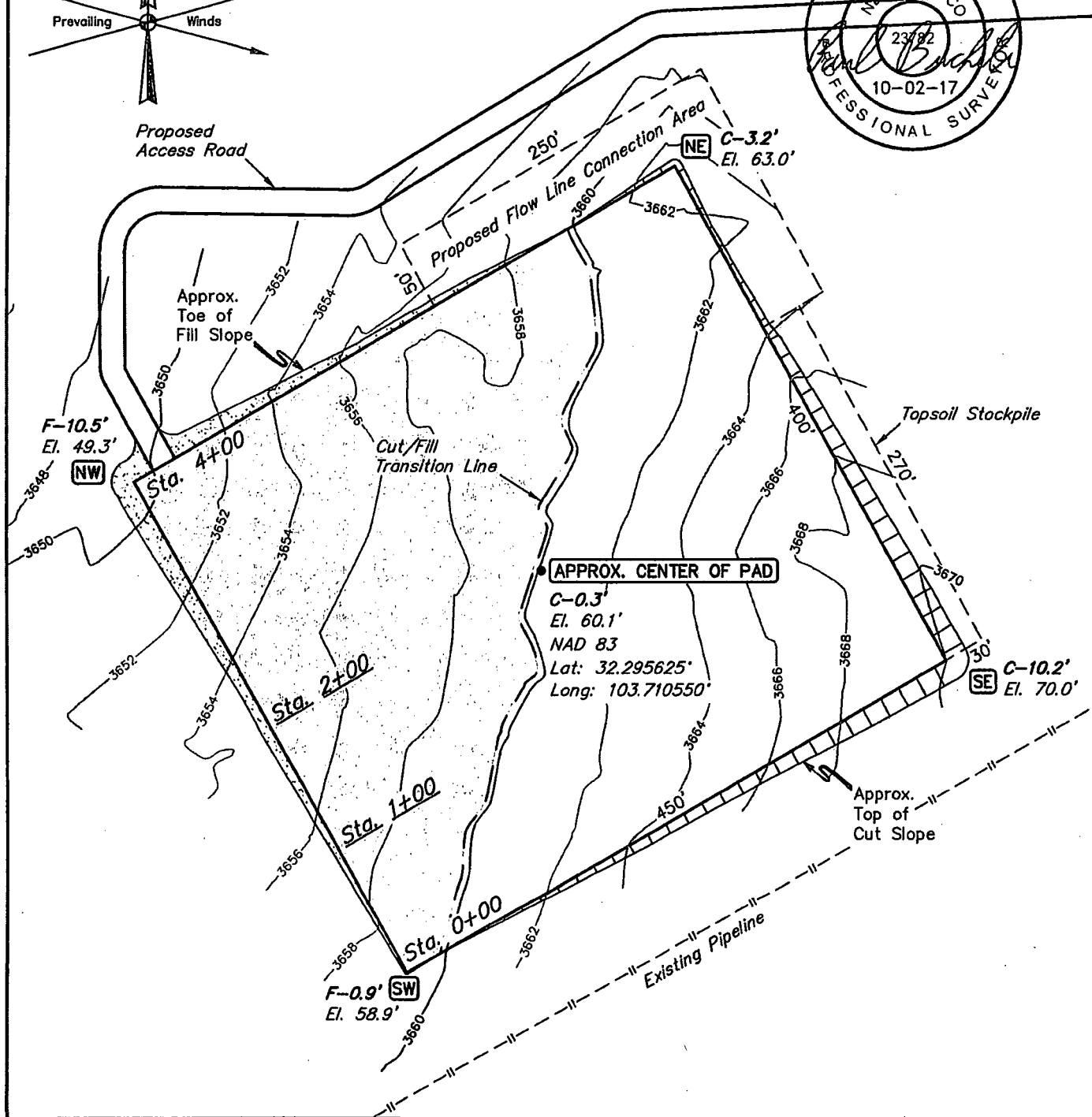
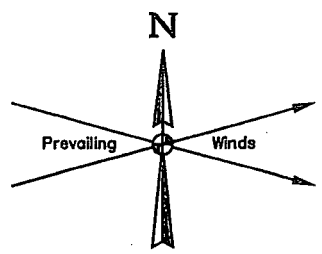
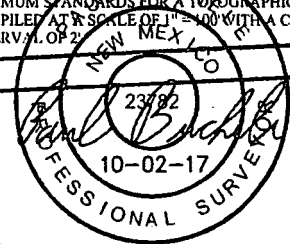
- PROPOSED CENTERLINE
- SECTION LINE
- 1/4 SECTION LINE
- 1/16 SECTION LINE
- PROPERTY LINE

CIMAREX ENERGY CO.

JAMES 19-20 FEDERAL GAS SALES
PIPELINE NETWORK
SECTIONS 19, 20, 29, & 30, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO

SURVEYED BY	C.T. J.R.	09-02-17	SCALE
DRAWN BY	L.W.	09-14-17	N/A
OVERALL GAS SALES PIPELINE			

CERTIFICATE
 THIS MAP HAS BEEN PRODUCED ACCORDING TO
 PROCEDURES THAT HAVE BEEN DEMONSTRATED TO
 PRODUCE DATA THAT MEETS OR EXCEEDS THE
 MINIMUM STANDARDS FOR A TOPOGRAPHIC MAP
 COMPILED AT A SCALE OF 1" = 100' WITH A CONTOUR
 INTERVAL OF 2'



FINISHED GRADE ELEVATION = 3659.8'

NOTES:

- Contours shown at 2' intervals.
- Cut/Fill slopes 1 1/2:1 (Typ. except where noted)
- Underground utilities shown on this sheet are for visualization purposes only, actual locations to be determined prior to construction.
- Topsoil stockpile to be seeded in place prior to reclamation.

CIMAREX ENERGY CO.

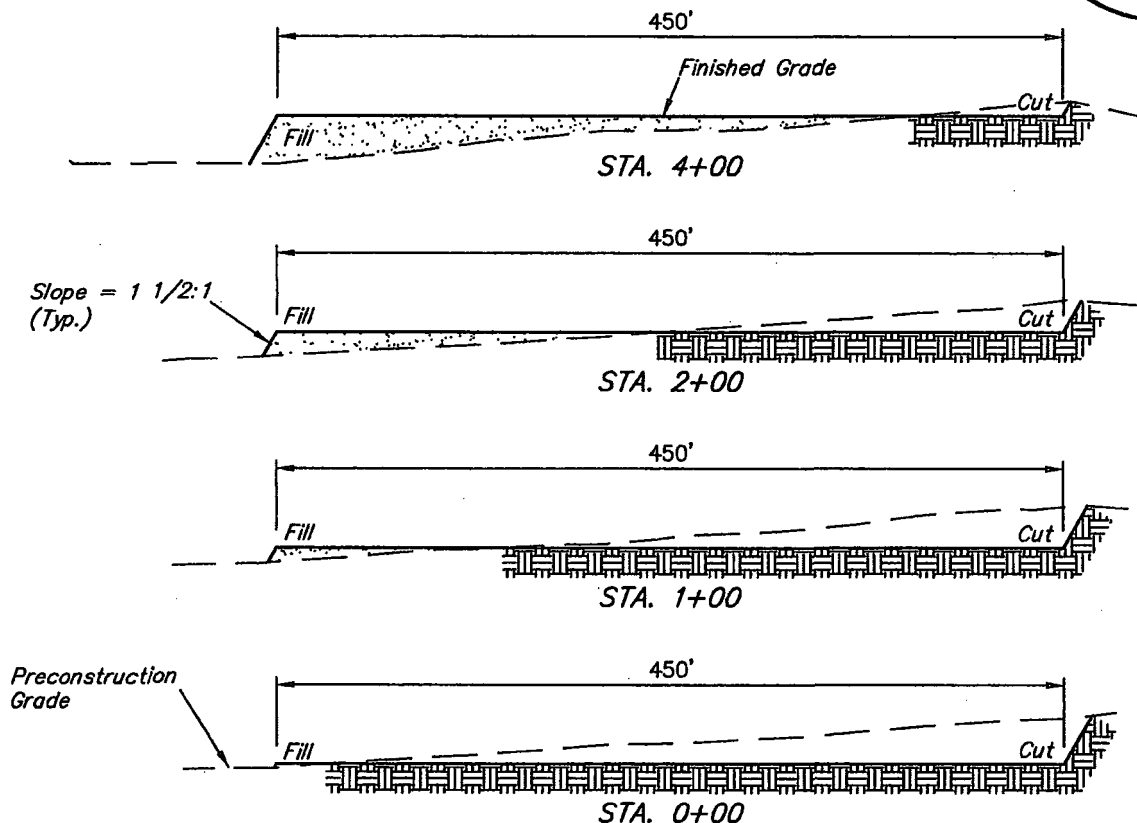
JAMES 19 FEDERAL EAST CTB
NW 1/4 NE 1/4, SECTION 19, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO



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

SURVEYED BY	J.J., R.G.	09-08-17	SCALE
DRAWN BY	S.F.	09-28-17	1" = 100'
LOCATION LAYOUT		EXHIBIT F	

1" = 40'
X-Section
Scale
1" = 100'



APPROXIMATE EARTHWORK QUANTITIES	
(4") TOPSOIL STRIPPING	2,390 Cu. Yds.
REMAINING LOCATION	12,300 Cu. Yds.
TOTAL CUT	14,690 Cu. Yds.
FILL	12,300 Cu. Yds.
EXCESS MATERIAL	2,390 Cu. Yds.
TOPSOIL	2,390 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	0 Cu. Yds.

APPROXIMATE SURFACE DISTURBANCE AREAS		
	DISTANCE	ACRES
WELL SITE DISTURBANCE	NA	±4.557
FLOW LINE CONNECTION AREA DISTURBANCE	NA	±0.436
TOTAL SURFACE USE AREA		±4.993

NOTES:

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

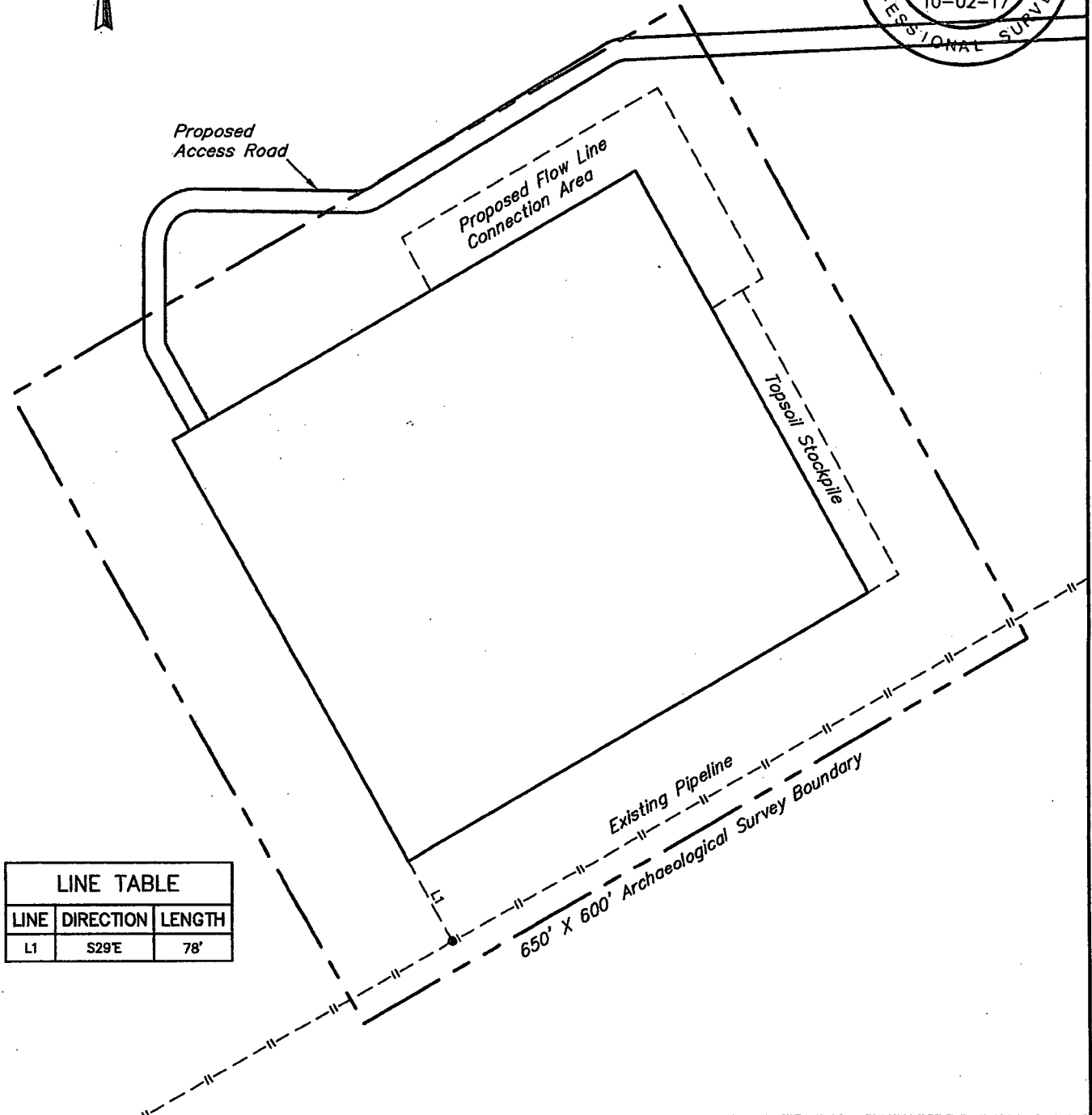
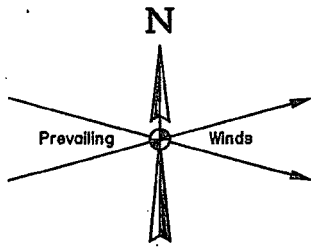
CIMAREX ENERGY CO.

JAMES 19 FEDERAL EAST CTB
NW 1/4 NE 1/4, SECTION 19, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO



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

SURVEYED BY	J.J., R.G.	09-08-17	SCALE
DRAWN BY	S.F.	09-28-17	AS SHOWN
TYPICAL CROSS SECTIONS		EXHIBIT F	



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S29°E	78'

NOTES:

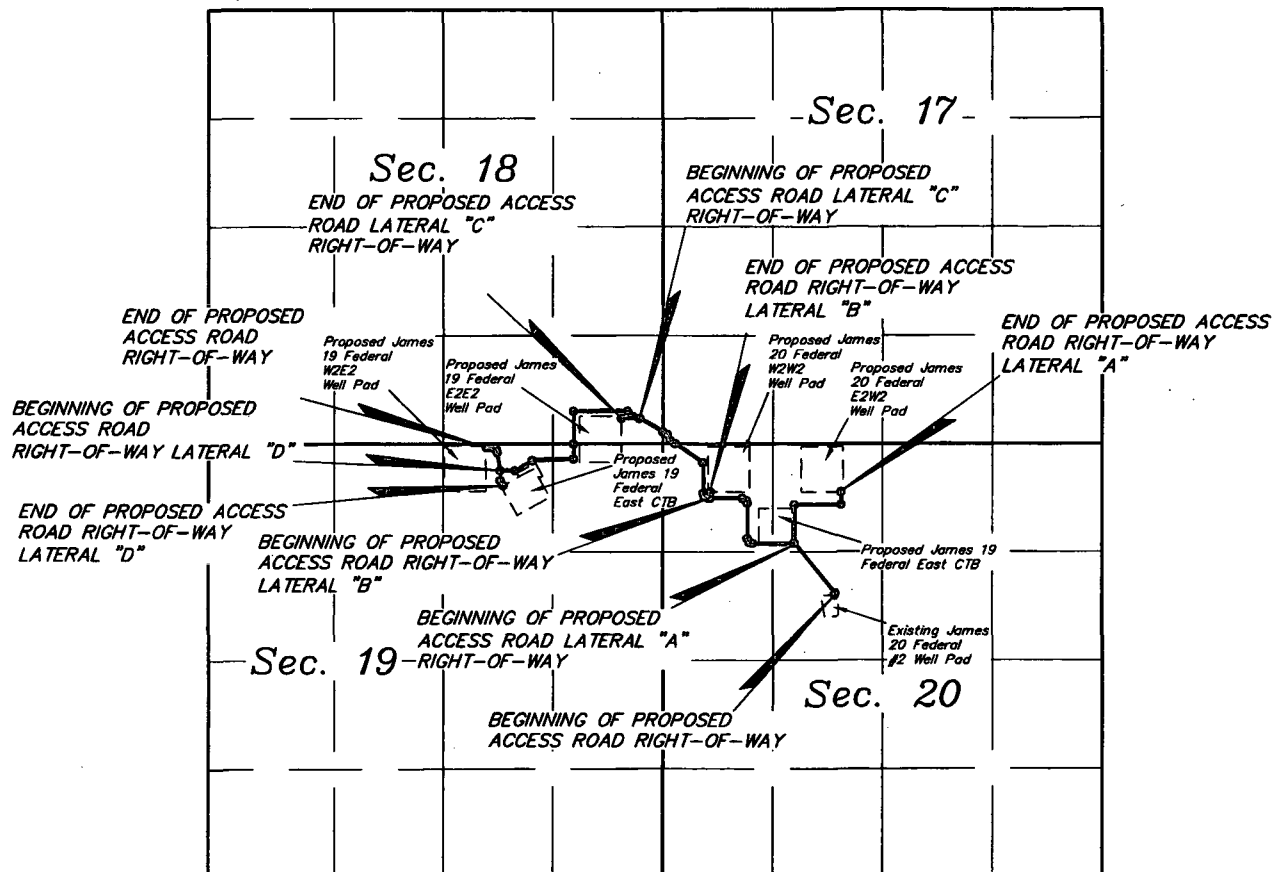
CIMAREX ENERGY CO.

JAMES 19 FEDERAL EAST CTB
NW 1/4 NE 1/4, SECTION 19, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO



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

SURVEYED BY	J.J., R.G.	09-08-17	SCALE
DRAWN BY	S.E.	09-28-17	1" = 120'
ARCHAEOLOGICAL SURVEY BOUNDARY			EXHIBIT F



LEGEND:

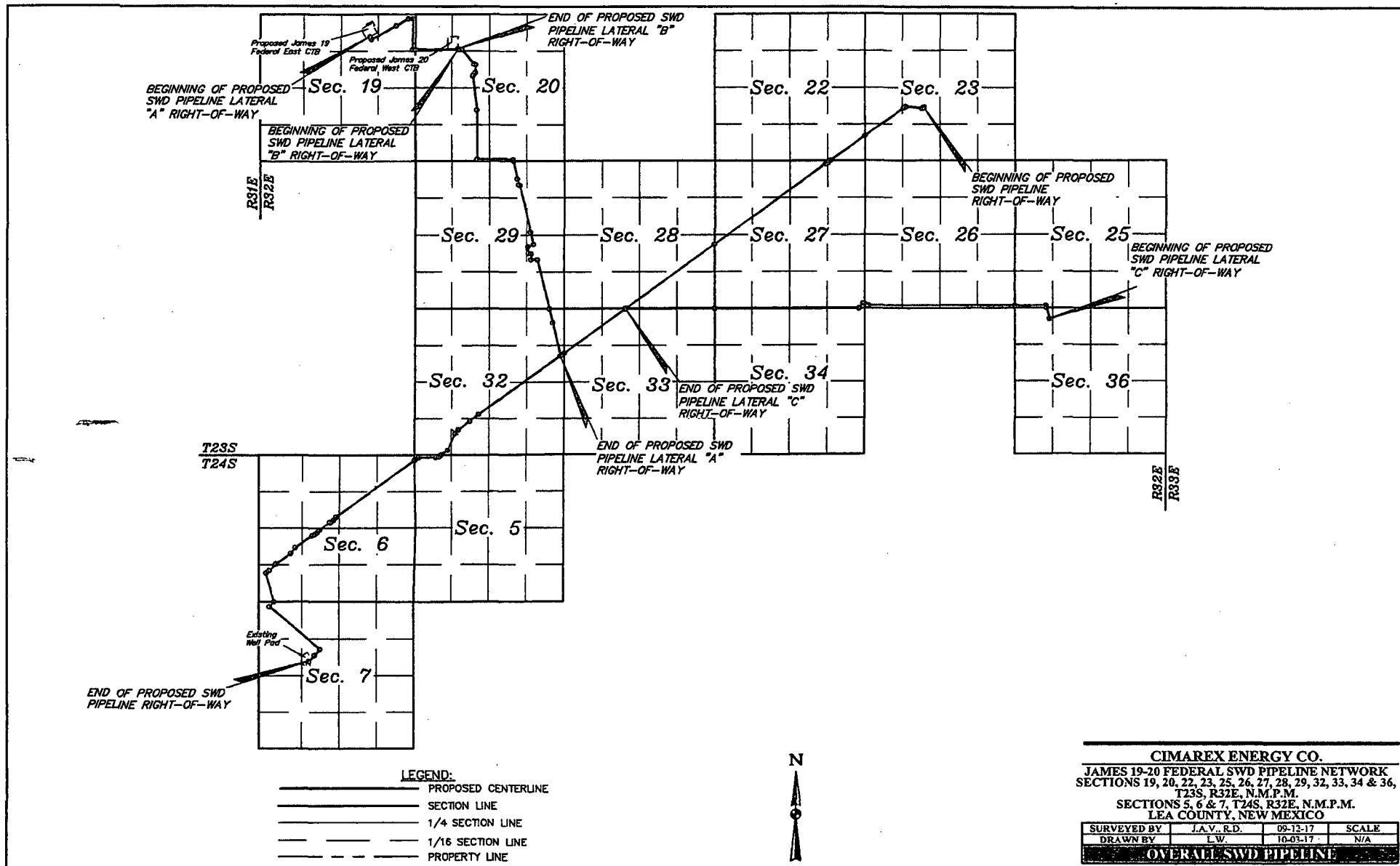
- PROPOSED CENTERLINE
- SECTION LINE
- 1/4 SECTION LINE
- 1/16 SECTION LINE
- - - PROPERTY LINE



CIMAREX ENERGY CO.

JAMES 19-20 ACCESS ROAD NETWORK
SECTIONS 17, 18, 19 & 20, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO

SURVEYED BY	J.A.V., A.G.	09-11-17	SCALE
DRAWN BY	L.W.	09-27-17	N/A
OVERALL ACCESS ROAD			



BLM Lease Number: NMNM0559539

Company Reference: Cimarex Energy Company

Well Name & Number: James 19 Federal 29H

STANDARD STIPULATIONS FOR OIL AND GAS RELATED SITES

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

The holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer, BLM.

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 and for all response costs, penalties, damages, claims, and other costs arising from the provisions of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Chap. 82, Section 6901 et. seq., from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Chap. 109, Section 9601 et. seq., and from other applicable environmental statutes.
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 U.S.C. 2601, et. seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this 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). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. If, during any phase of the construction, operation, maintenance, or termination of the site or related pipeline(s), any oil or other pollutant should be discharged from site facilities, the pipeline(s) or from containers or vehicles impacting Federal lands, the control and total removal, disposal, and cleanup of such oil or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such

discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the Authorized Officer may take such measures as deemed necessary to control and cleanup the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any liability or responsibility.

5. Sites shall be maintained in an orderly, sanitary condition at all times. Waste materials, both liquid and solid, shall be disposed of promptly at an appropriate, authorized waste disposal facility in accordance with all applicable State and Federal laws. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, petroleum products, brines, chemicals, oil drums, ashes, and equipment.

6. The operator will notify the Bureau of Land Management (BLM) authorized officer and nearest Fish and Wildlife Service (FWS) Law Enforcement office within 24 hours, if the operator discovers a dead or injured federally protected species (i.e., migratory bird species, bald or golden eagle, or species listed by the FWS as threatened or endangered) in or adjacent to a pit, trench, tank, exhaust stack, or fence. (If the operator is unable to contact the FWS Law Enforcement office, the operator must contact the nearest FWS Ecological Services office.)

7. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" designated by the Rocky Mountain Five-State Interagency Committee. The color selected for this project is **Shale Green**, Munsell Soil Color Chart Number 5Y 4/2.

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

9. A sales contract for removal of mineral material (caliche, sand, gravel, fill dirt) from an authorized pit, site, or on location must be obtained from the BLM prior to commencing construction. There are several options available for purchasing mineral material: contact the BLM office (575-234-5972).

10. 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.

11. Once the site is no longer in service or use, the site must undergo final abandonment. At final abandonment, the site 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 the abandonment of the site. All pads and 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. 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).

12. The holder shall stockpile an adequate amount of topsoil where blading occurs. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles. The topsoil will be used for final reclamation.

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

- | | |
|--------------------------------------------------------|--------------------------------------------------|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input checked="" type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

14. In those areas where erosion control structures are required to stabilize soil conditions, the holder shall install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound management practices. Any earth work will require prior approval by the Authorized Officer.

15. Open-topped Tanks - 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 until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps

16. 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 enclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

17. Open-Vent Exhaust Stack Enclosures – 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 enclosure 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.

18. Containment Structures - 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.

19. Special Stipulations:

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.

Timing Limitation Exceptions:

The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

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. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

BLM LEASE NUMBER: NMNM0559539

COMPANY NAME: Cimarex 19 Fede

ASSOCIATED WELL NAME:

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) 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 et seq. (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 activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:
 - a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
 - b. Activities of other parties including, but not limited to:
 - (1) Land clearing.

- (2) Earth-disturbing and earth-moving work.
- (3) Blasting.
- (4) Vandalism and sabotage.

c. Acts of God.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18. Special Stipulations:

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.

Timing Limitation Exceptions:

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