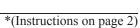
Form 3160-3 (June 2015)				OMB N	APPROVED o. 1004-0137 anuary 31, 2018	8	
	DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT						
APPLICATION FOR PERMIT TO		6. If Indian, Allotee	or Tribe Name				
1a. Type of work: DRILL	REENTER Other Single Zone	Multiple Zone		7. If Unit or CA Age 8. Lease Name and		and No.	
2. Name of Operator	162683]			9. API Well No. 3	0-025-48	475	
3a. Address		o. (include area co	de)	10. Field and Pool,	or Exploratory	[59900	
 4. Location of Well (<i>Report location clearly and in accordan</i> At surface At proposed prod. zone 	ace with any State	requirements.*)		11. Sec., T. R. M. of	Blk. and Surv	'ey or Area	
14. Distance in miles and direction from nearest town or post	office*			12. County or Parisl	n 13.	State	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of ac	res in lease	17. Spacir	ig Unit dedicated to t	his well		
18. Distance from proposed location*to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed	l Depth	20. BLM/	BIA Bond No. in file			
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approxim	nate date work wil	l start*	23. Estimated durati	ion		
The following, completed in accordance with the requiremen (as applicable)			1, and the H	ydraulic Fracturing r	ule per 43 CFF	3162.3-3	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest S SUPO must be filed with the appropriate Forest Service Of 		Item 20 above). 5. Operator certifi	ication.	s unless covered by an mation and/or plans as	-	*	
25. Signature	Name	(Printed/Typed)			Date		
Title							
Approved by (Signature)	Name	(Printed/Typed)			Date		
Title	Office						
Application approval does not warrant or certify that the appl applicant to conduct operations thereon. Conditions of approval, if any, are attached.	icant holds legal o	r equitable title to	those rights	in the subject lease w	hich would ent	title the	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 121 of the United States any false, fictitious or fraudulent stateme					any department	t or agency	
GCP Rec 02/01/2021				,			
		TH CONDI	TONS	02/0)9/2021		
SL	OVED WI	H COMPA					
(Continued on page 2)	WI MAR			*(In	structions of	n 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.

Additional Operator Remarks

Location of Well

SHL: SWSW / 630 FSL / 1310 FWL / TWSP: 23S / RANGE: 33E / SECTION: 26 / LAT: 32.270132 / LONG: -103.54743 (TVD: 0 feet, MD: 0 feet)
 PPP: SWSW / 774 FSL / 987 FWL / TWSP: 23S / RANGE: 33E / SECTION: 26 / LAT: 32.270528 / LONG: -103.548472 (TVD: 9585 feet, MD: 9643 feet)
 BHL: NWNW / 330 FNL / 990 FWL / TWSP: 23S / RANGE: 33E / SECTION: 26 / LAT: 32.282014 / LONG: -103.548467 (TVD: 9697 feet, MD: 13858 feet)

BLM Point of Contact

Name: Jordan Navarrette Title: LIE Phone: 5752345972 Email: jnavarrette@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.

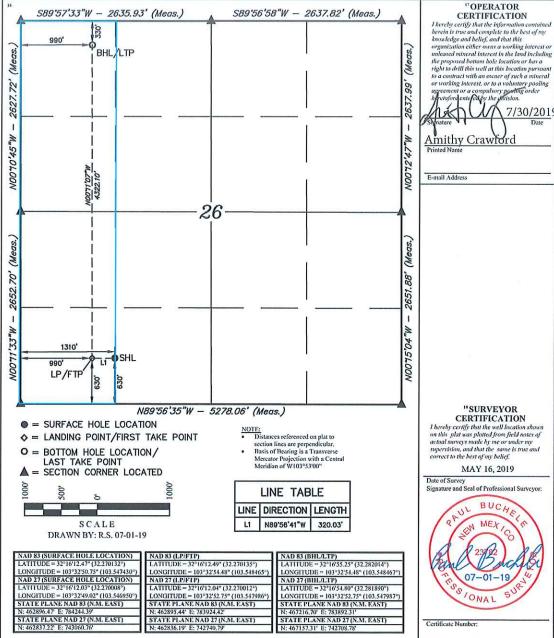
District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 Phone: (375) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztee, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District III District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

30-025-48475 5990			² Pool Code 9900		Tri	ple X; Bone S	pring			
^{4 Property} 39608	Tode		⁸ Property Name WEST BELL LAKE 26 FEDERAL						⁶ Well Number 18H	
⁷ OGRID 16268			*Operator Name CIMAREX ENERGY CO. of Colorado 3661.							
					"Surface	Location				
UL or lot no. M	Section 26	Township 23S	Range 33E	Lot Idn	Feet from the 630	North/South line SOUTH	Feet from the 1310	East/West line WEST	County LEA	
			л	Bottom Ho	le Location I	f Different From	Surface			
UL or lot no. D	Section 26	Township 23S	Range 33E	Lot Idn	Feet from the 330	North/South line NORTH	Fect from the 990	East/West line WEST	County LEA	
12 Dedicated Act 160	es 11 J.	oint or Infill	14 Conso	lidation Code	13 Order No.					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Received by OCD: 2/1/2021 1:18:17 PM

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

GAS CAPTURE PLAN

Date: 7/9/2019

 \boxtimes Original

Operator & OGRID No.: Cimarex Energy Co- 215099

□ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
West Bell Lake 26 Fed 18H 30 -	Pending 025-48475	M:Sec.26-23-33E	630'FSL & 1310 FWL	2000		

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to <u>DCP</u> and will be connected to <u>DCP</u> low/high pressure gathering system located in <u>Lea</u> <u>County</u>, New Mexico. It will require <u>1/2 mile</u> of pipeline to connect the facility to low/high pressure gathering system. <u>Cimarex</u> provides (periodically) to <u>DCP</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Cimarex</u> and <u>DCP</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>DCP Eunice</u> <u>Plane (NM Supersystem)</u> Processing Plant located in <u>Sec. 5-21S-36E Lea</u> County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>DCP</u> system at that time. Based on current information, it is <u>Cimarex's</u> belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
 - Compressed Natural Gas On lease o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease

• Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines *Released to Imaging: 2/10/2021 12:10:03 PM*

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1. Geological Formations

TVD of target 9,697	Pilot Hole TD N/A
MD at TD 13,858	Deepest expected fresh water

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone	Hazards
Rustler	1330	N/A	
Top Salt	1680	N/A	
Castille	3780	N/A	
Base Salt	4780	N/A	
Bell Canyon	5346	N/A	
Cherry Canyon	6246	N/A	
Brushy Canyon	7575	Hydrocarbons	
Bone Spring	9145	Hydrocarbons	
Avalon Shale	9585	Hydrocarbons	
Avalon Target	9722	Hydrocarbons	

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To		Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	1450	1450	13-3/8"	54.50	J-55	BT&C	1.70	4.13	10.79
12 1/4	0	5275	5275	9-5/8"	40.00	J-55	LT&C	1.50	1.41	2.46
8 3/4	0	9264	9264	5-1/2"	17.00	L-80	LT&C	1.45	1.79	2.05
8 3/4	9264	13858	9697	5-1/2"	17.00	L-80	BT&C	1.39	1.71	53.93
				-	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 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?	Ν
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Ν
Is well within the designated 4 string boundary.	N
Is well located in SOPA but not in R-111-P?	Ν
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	Ν
Is well located in R-111-P and SOPA?	Ν
If yes, are the first three strings cemented to surface?	N
Is 2nd string set 100' to 600' below the base of salt?	Ν
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	Ν
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	Ν
Is well located in critical Cave/Karst?	Ν
If yes, are there three strings cemented to surface?	Ν
Is AC Report included?	N
	•

3. Cementing Program

Casing	# Sks	Wt. Ib/gal	Yld ft3/sack	H2O gal/sk	500# Comp. Strength (hours)	Slurry Description				
Surface	703	13.50	1.72	9.15	15.5	Lead: Class C + Bentonite				
	188	14.80	1.34	6.32	9.5	Tail: Class C + LCM				
Intermediate	987	12.90	1.88	9.65	12	12 Lead: 35:65 (Poz:C) + Salt + Bentonite				
	292	14.80	1.34	6.32	9.5	Tail: Class C + LCM				
Production	429	10.30	3.64	22.18		Lead: Tuned Light + LCM				
	1117	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	4126	25

Cimarex request the ability to perform casing integrity tests after plug bump of cement job.

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	Х	50% of working pressure
			Blind Ram		
			Pipe Ram		2M
			Double Ram	Х	
			Other		
8 3/4	13 5/8	3M	Annular	Х	50% of working pressure
			Blind Ram		
			Pipe Ram		3M
			Double Ram	Х]
			Other		

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. Х 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. Ν

Are anchors required by manufacturer?

5. Mud Program

Depth	Туре	Weight (ppg)	Viscosity	Water Loss
0' to 1450'	FW Spud Mud	8.30 - 8.80	30-32	N/C
1450' to 5275'	Brine Water	9.70 - 10.20	30-32	N/C
5275' to 13858'	Cut Brine or OBM	8.50 - 9.00	27-70	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

Logg	jing, Coring and Testing
	Will run GR/CNL fromTD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
Х	No logs are planned based on well control or offset log information.
	Drill stem test?
	Coring?

Additional Logs Planned

7. Drilling Conditions

Condition	
BH Pressure at deepest TVD	4538 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.

Х	H2S is present
Х	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.

All casing strings will be tested as per Onshore Order No.2 to atleast 0.22 psi/ft or 1,500 whichever is greater and not to exceed 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.

.

Schlumberger



Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09 Anti-Collision Summary Report

Analysis Date-24hr Time:	July 09, 2019 - 10:24
Client:	Cimarex Energy
Field:	NM Lea County (NAD 83)
Structure:	Cimarex West Bell Lake 26 F
Slot:	New Slot
Well:	West Bell Lake 26 Federal #1
Borehole:	West Bell Lake 26 Federal #1
Scan MD Range:	0.00ft ~ 13858.28ft

ederal #18H ‡18H ±18H

Analysis Method: Reference Trajectory: Depth Interval: Rule Set: Min Pts: Version / Patch: Database \ Project:

3D Least Distance Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09 (Non-Def Plan) Every 10.00 Measured Depth (ft) NAL Procedure: D&M AntiCollision Standard S002 All local minima indicated. 2.10.760.0 US1153APP452.dir.slb.com\drilling-NM Lea County 2.10

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

Offset Selection Criteria Wellhead distance scan:

Selection filters:

Not performed! 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

Offset Trajectory	Separation		า	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		
Results highlighted: Sep-Factor separation <= 1.50 ft													

Cimarex BP America Federal H #001 (Offset 025-25958) (Def													
Survey)	1506.17 1506.02 1505.93 1377.89	32.81 32.81 32.81 414.93	1504.51 1504.34 1504.25 1100.69		N/A 75003.00 83840.70 5.00	MAS = 10.00 (m) MAS = 10.00 (m) MAS = 10.00 (m) OSF1.50	0.00 10.00 26.00 6970.00	0.00 10.00 26.00 6950.36	OSF<5.00			Fail Surface MinPt-O-SF WRP Enter Alert	I Major
	631.30 419.29 137.21 137.12	632.70 632.89 632.67 632.56	208.49 -3.75 -285.37 -285.34	-1.39 -213.60 -495.46 -495.44	1.50 0.99 0.32 0.32	OSF1.50 OSF1.50 OSF1.50 OSF1.50	10280.00 10500.00 10890.00 10900.00	9720.29 9718.86 9716.32 9716.25		OSF<1.50	OSF<1.00	Enter Minor Enter Major MinPts MinPt-CtCt	
	416.91 628.85 2088.20 2965.12	631.17 630.96 630.13 629.70	-4.43 207.65 1667.56 2544.77	-214.26 -2.11 1458.07 2335.42	0.99 1.49 4.98 7.08	OSF1.50 OSF1.50 OSF1.50 OSF1.50	11290.00 11510.00 12980.00 13858.28	9713.72 9712.28 9702.72 9697.00	OSF>5.00	OSF>1.50	OSF>1.00	Exit Major Exit Minor Exit Alert TD	
Cimarex West Bell Lake 26 Federal #17H Rev1 RM 08Jul19 (Def Plan)	9											Fail	l Minor
	20.00 20.00 20.00 20.00 20.07 21.16	16.50 16.50 20.01 20.85 21.23 21.23	17.50 17.50 5.83 5.27 5.08 6.14	0.00 -0.85 -1.16 -0.11	N/A 78766.82 1.50 1.43 1.41 1.49	MAS = 5.03 (m) MAS = 5.03 (m) OSF1.50 OSF1.50 OSF1.50 OSF1.50	0.00 26.00 1920.00 2020.00 2100.00 2200.00	0.00 26.00 1920.00 2020.00 2100.00 2200.00	CtCt<=15m<15.00	OSF<1.50 OSF>1.50		Enter Alert WRP Enter Minor MinPt-CtCt MinPts Exit Minor	
	64.05 301.88 301.88 301.88 301.88	20.98 59.69 92.48 115.06 161.76	49.23 261.25 239.39 224.34 193.20	43.07 242.19 209.39 186.81 140.12	5.00 7.85 4.99 3.99 2.82	OSF1.50 OSF1.50 OSF1.50 OSF1.50 OSF1.50	2860.00 9980.00 11490.00 12300.00 13858.28	2859.05 9720.79 9712.41 9707.14 9697.00	OSF>5.00 OSF<5.00			Exit Alert MinPt-CtCt Enter Alert MinPt-CtCt MinPts	
Cimarex West Bell Lake 26 Federal #19H Rev0 RM 08Jul09 (Non-Def Plan)	9											Fail	l Minor
	20.01 20.00 20.00 20.00 20.03	16.50 16.50 20.00 25.47 25.52	17.51 17.50 <u>5.83</u> 2.19 2.19	3.51 3.50 0.00 -5.47 -5.48	N/A N/A 1.50 1.14 1.14	MAS = 5.03 (m) MAS = 5.03 (m) OSF1.50 OSF1.50 OSF1.50	0.00 26.00 1920.00 2500.00 2510.00	0.00 26.00 1920.00 2500.00 2510.00	CtCt<=15m<15.00	OSF<1.50		Enter Alert WRP Enter Minor MinPts MinPts	
	25.85 79.70 659.90 659.90	25.94 26.10 73.26 167.68	7.72 61.47 610.23 547.29	-0.09 53.60 586.65 492.23	1.49 4.91 13.94 5.97	OSF1.50 OSF1.50 OSF1.50 OSF1.50	2630.00 2920.00 10017.30 13858.28	2629.96 2918.56 9722.00 9697.00	OSF>5.00	OSF>1.50		Exit Minor Exit Alert MinPt-CtCt MinPts	
Cimarex West Bell Lake 26 Federal #20H Rev0 RM 08Jul09 (Non-Def Plan)	9											Wa	rning Alert
	40.00 <u>39.99</u> <u>39.99</u> 40.01 40.26 70.08 <u>1297.71</u> <u>1319.82</u> 1319.82	32.49 32.49 32.49 32.49 32.49 32.49 58.59 71.60 164.89	37.50 37.49 25.32 25.29 25.40 53.90 1257.82 1271.25 1209.06	7.51 7.50 7.51 7.76 37.59 1239.12 1248.21 1154.93	N/A N/A 3.08 3.07 3.05 4.94 34.64 28.59 12.17	MAS = 9.90 (m) MAS = 9.90 (m) MAS = 9.90 (m) MAS = 9.90 (m) MAS = 9.90 (m) OSF1.50 OSF1.50	0.00 26.00 2000.00 2010.00 2040.00 2420.00 7750.00 10017.30 13858.28	0.00 26.00 2000.00 2010.00 2040.00 2420.00 7730.36 9722.00 9697.00	CtCt<=15m<15.00 OSF>5.00			Enter Alert WRP MinPts MINPT-O-EOU MinPt-O-SF Exit Alert MinPt-O-SF MinPt-CtCt MinPts	
Cimarex West Bell Lake 26 Federal #1H Gyro+MWD 0ft to 15797ft MD (Def Survey)												Pas	35
	853.02 852.95 842.87 563.44 553.99 554.78 631.41 1661.92 1661.23 1669.86	32.81 32.81 32.81 32.81 32.81 32.81 49.31 94.87 105.96 147.18	850.52 850.44 831.32 543.47 534.53 533.97 597.66 1597.84 1589.76 1570.90	820.21 820.14 1 810.06 530.64 521.18 521.97 582.10 1567.05 1555.27 1522.68	N/A 11615.52 92.92 32.60 33.06 30.62 20.20 26.95 24.05 17.29	MAS = 10.00 (m) MAS = 10.00 (m) MAS = 10.00 (m) MAS = 10.00 (m) MAS = 10.00 (m) OSF1.50 OSF1.50 OSF1.50	0.00 26.00 1790.00 5130.00 5370.00 9310.00 12200.00 12570.00 13858.28	0.00 26.00 1790.00 5110.70 5350.36 5830.36 9290.29 9707.79 9705.39 9697.00				Surface WRP MinPts MinPt-O-SF MinPt-O-SF MINPT-O-EOU MinPt-C-CCt MinPt-C1Ct MinPts	
Cimarex West Bell Lake 26 Federal #2H Final Survey (Def Survey)												Pas	s
	1051.10 1050.96	32.81 32.81	1048.60 1048.44	1018.29 1018.15	N/A 67135.36	MAS = 10.00 (m) MAS = 10.00 (m)	0.00 10.00	0.00 10.00				Surface MinPt-O-SF	

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					_								Status
Offset Trajectory	Ct-Ct (ft)	Separation	EOU (ft)	Allow Dev. (ft)	Sep. Fact.	Controlling Rule		Trajectory	Alert	Risk Level Minor	M-!	Alert	Status
L	1050.92	MAS (ft) 32.81	1048.42	1018.11	Fact. N/A	MAS = 10.00 (m)	MD (ft) 20.00	TVD (ft) 20.00	Alert	Minor	Major	MinPts	
	1050.92	32.81	1048.42	1018.11	N/A	MAS = 10.00 (m)	26.00	26.00				WRP	
	1050.98	32.81	1046.38	1018.17	499.41	MAS = 10.00 (m)	530.00	530.00				MinPts	
	1035.43	32.81	1021.83	1002.62	93.15	MAS = 10.00 (m)	2550.00	2550.00				MinPts	
	1035.44	32.81	1021.82	1002.63	92.96	MAS = 10.00 (m)	2560.00	2560.00				MINPT-O-EOU	
	1035.99	32.81	1022.28	1003.18	92.25	MAS = 10.00 (m)	2610.00	2609.97				MinPt-O-SF	
	1077.55	32.81	1063.50	1044.74	93.10	MAS = 10.00 (m)	3110.00	3107.01				MinPt-O-SF	
	1173.40	32.81	1157.58	1140.59	87.89	MAS = 10.00 (m)	3990.00	3979.79				MinPt-O-SF	
	1324.12	32.81	1305.36 1347.81	1291.31	81.30	MAS = 10.00 (m)	5018.64	5000.00				MinPt-O-SF	
	1370.56 1370.88	32.87 33.27	1347.81	1337.68 1337.62	67.56 66.71	OSF1.50 OSF1.50	6740.00 6810.00	6720.36 6790.36				MINPT-O-EOU MinPt-O-ADP	
	1371.71	35.34	1347.32	1336.37	62.54	OSF1.50	7160.00	7140.36				MINPT-O-EOU	
	1371.87	35.53	1347.35	1336.35	62.19	OSF1.50	7200.00	7180.36				MinPt-O-ADP	
	1372.99	37.37	1347.24	1335.62	58.95	OSF1.50	7530.00	7510.36				MinPt-CtCt	
	1373.08	37.66	1347.14	1335.42	58.47	OSF1.50	7580.00	7560.36				MINPT-O-EOU	
	1373.29	37.92	1347.18	1335.37	58.05	OSF1.50	7630.00	7610.36				MinPt-O-ADP	
	1374.41	39.53	1347.22	1334.88	55.57	OSF1.50	7900.00	7880.36				MINPT-O-EOU	
	1374.55	39.70	1347.24	1334.84	55.32	OSF1.50	7930.00	7910.36				MinPt-O-ADP	
	1369.12	43.52	1339.28	1325.60	49.97	OSF1.50	8520.00	8500.36				MinPt-CtCt	
	1369.18 1369.22	43.63 43.68	1339.26 1339.27	1325.55 1325.55	49.85 49.78	OSF1.50 OSF1.50	8540.00 8550.00	8520.36 8530.36				MINPT-O-EOU MinPt-O-ADP	
	1369.22	43.68	1339.27	1325.55	49.78	OSF1.50 OSF1.50	8550.00 9550.00					MinPt-O-ADP MinPt-O-SF	
	1880.86	68.56	1834.32	1812.30	44.60	OSF1.50	10840.00					MinPt-CtCt	
	1886.21	94.97	1822.07	1791.24	30.56	OSF1.50	11670.00	9711.24				MinPt-CtCt	
	1886.92	97.27	1821.24	1789.65	29.83	OSF1.50	11760.00	9710.66				MINPT-O-EOU	
	1893.33	104.77	1822.65	1788.57	27.73	OSF1.50	12000.00	9709.10				MinPt-O-ADP	
	1897.90	117.38	1818.81	1780.52	24.75	OSF1.50	12340.00	9706.88				MinPt-CtCt	
	1901.76	142.55	1805.90	1759.21	20.34	OSF1.50	13120.00	9701.81				MINPT-O-EOU	
	1911.50	154.08	1807.94	1757.42	18.89	OSF1.50	13470.00	9699.53				MinPt-O-ADP	
	1917.11	168.77	1803.77	1748.34	17.27	OSF1.50	13850.00	9697.05				MinPt-CtCt	
	1917.15	168.88	1803.73	1748.27	17.26	OSF1.50	13858.28	9697.00				MinPts	
Devon Coachwhip 26 Federal #2H (Offset 025-41962) (Def Survey)													Pass
	2454.29	32.81	2452.75	2421.48	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	2454.27 2442.23	32.81 32.81	2452.73 2432.97	2421.46 2409.42	N/A 316.20	MAS = 10.00 (m) MAS = 10.00 (m)	26.00 1800.00	26.00 1800.00				WRP MinPts	
	2442.23	32.81	2432.97	2409.42	279.30	MAS = 10.00 (m) MAS = 10.00 (m)	2030.00					MINPT-O-EOU	
	2444.54	32.81	2432.88	2410.03	241.44	MAS = 10.00 (m)	2340.00	2340.00				MINPT-O-EOU	
	2447.98	32.81	2435.38	2415.17	221.28	MAS = 10.00 (m)	2610.00	2609.97				MinPt-O-SF	
	2458.21	32.81	2445.57	2425.40	221.35	MAS = 10.00 (m)	2760.00	2759.64				MinPt-O-SF	
	2778.98	32.81	2761.35	2746.17	172.61	MAS = 10.00 (m)	5018.64	5000.00				MinPt-O-SF	
	2801.02	216.82	2655.96	2584.20	19.51	OSF1.50	13270.00	9700.83				MinPt-CtCt	
	2798.69	243.37	2635.93	2555.32	17.35	OSF1.50	13840.00	9697.12				MinPts	
	2798.71	243.39	2635.93	2555.32	17.35	OSF1.50	13850.00	9697.05				MinPt-O-ADP	
	2798.75	243.41	2635.97	2555.34	17.35	OSF1.50	13858.28	9697.00				MinPt-O-SF	
Devon Coachwhip 26 Federal #1H (offset 025-41961) (Def Survey)													Pass
	2503.59	32.81	2502.05	2470.78	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	2503.56	32.81	2502.02	2470.75	727920.38	MAS = 10.00 (m)	26.00	26.00				WRP	
	2491.49	32.81	2481.87	2458.68	308.38	MAS = 10.00 (m)	1880.00	1880.00				MinPts	
	2491.31	32.81	2480.67	2458.51	273.71	MAS = 10.00 (m)	2110.00					MinPts	
	2492.22	32.81	2479.85	2459.41	230.00	MAS = 10.00 (m)	2500.00					MINPT-O-EOU	
	2495.41 2504.58	32.81 32.81	2482.81 2491.94	2462.60 2471.77	225.49 225.52	MAS = 10.00 (m) MAS = 10.00 (m)	2630.00 2760.00	2629.96 2759.64				MinPt-O-SF MinPt-O-SF	
	2504.58	32.81	2491.94 2848.74	24/1.//	225.52	MAS = 10.00 (m) MAS = 10.00 (m)	2760.00	2759.64				MinPt-O-SF MinPt-O-SF	
	3775.37	60.57	3734.47	3714.80	95.90	OSF1.50	10990.00	9715.67				MinPt-O-SF	
	3805.87	61.05	3764.65	3744.81	95.89	OSF1.50	11050.00	9715.28				MinPt-O-SF	
	3815.14	104.25	3745.13	3710.89	55.70	OSF1.50	11070.00	9715.15				MinPts	
	3857.02	137.19	3765.05	3719.83	42.64	OSF1.50	11700.00	9711.05				MINPT-O-EOU	
	3860.71	141.09	3766.14	3719.62	41.48	OSF1.50	11780.00	9710.53				MinPt-O-ADP	
	3871.57	151.78	3769.87	3719.79	38.64	OSF1.50	12000.00	9709.10				MinPt-O-ADP	
	3905.07	176.57	3786.85	3728.50	33.45	OSF1.50	12540.00	9705.58				MinPt-O-ADP	
	3961.57 3968.79	214.30 222.53	3818.19 3819.93	3747.27 3746.27	27.92 26.93	OSF1.50 OSF1.50	13280.00 13410.00	9700.76 9699.92				MinPt-O-ADP MINPT-O-EOU	
	3968.79	222.53	3819.93	3746.26	26.93	OSF1.50 OSF1.50	13410.00	9699.92				MINP1-O-EOU MinPt-O-ADP	
	3969.26	250.47	3810.87	3740.20	20.00	OSF1.50 OSF1.50	13420.00	9699.85				MinPt-O-ADP MinPts	
	007 0.00	200.07	0010.07	5727.53	20.00	00.1.00	10000.20	0007.00					

Schlumberger

Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09 Proposal Geodetic Report (Non-Def Plan)



Report Date: Client: Field: Structure / Slot: Well: Borehole: UWI / API#: Survey Name: Survey Date: Tort / AHD / DDI / ERE Coordinate Reference Location Lat / Long: Location Grid NKE Y/X CRS Grid Convergence Grid Scale Factor: Version / Patch:	vence System: NAD83 New Mexico State Plane, Eastern Zone, US Feet ong: N 32* 16* 12.47473*, W 103* 32* 50.74913* // E/X/x: N 462896.470 ftUS, E 784244.390 ftUS orgence Angle: 0.4196 * or: 0.99997667					Survey / DLS Corr Vertical Section A Vertical Section O TVD Reference Da TVD Reference El Seabed / Ground Magnetic Declinat Total Gravity Field Gravity Model: Total Magnetic Dip Ang Declination Date: Magnetic Declinat North Reference: Grid Corr Mag NG North: Local Coord Refer	zimuth: rigin: tum: evation: Elevation: ion: 3 Strength: eld Strength: le: le: ion Model: e Used: orth->Grid	Minimum Curvature / Lubinski 359.600 ° (Grid North) 0.000 ft, 0.000 ft RKB 3687.400 ft above MSL 3661.400 ft above MSL 6.654 ° 998.4415mgn (9.80665 Based) GARM 47939.036 nT 59.958 ° July 08, 2019 HDGM 2019 Grid North 0.4196 ° 6.2344 ° Well Head W DLS Northing Easting Latitude Longitude				
Comments	MD (ft)		Azim Grid	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)		Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
SHL [630' FSL,	0.00		355.34	0.00	0.00	0.00	0.00		462896.47	784244.39	N 32 16 12.47	
1310' FWL]	100.00		269.82	100.00	0.00	0.00	0.00		462896.47	784244.39	N 32 16 12.47	
	200.00 300.00		269.82 269.82	200.00 300.00	0.00 0.00	0.00 0.00	0.00		462896.47 462896.47	784244.39 784244.39		W 103 32 50.75 W 103 32 50.75
	400.00	0.00	269.82	400.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
	500.00 600.00		269.82 269.82	500.00 600.00	0.00 0.00	0.00 0.00	0.00		462896.47 462896.47	784244.39 784244.39		W 103 32 50.75 W 103 32 50.75
	700.00	0.00	269.82	700.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
	800.00 900.00		269.82 269.82	800.00 900.00	0.00 0.00	0.00 0.00	0.00		462896.47 462896.47	784244.39 784244.39		W 103 32 50.75 W 103 32 50.75
	1000.00	0.00	269.82	1000.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
	1100.00 1200.00		269.82 269.82	1100.00 1200.00	0.00 0.00	0.00 0.00	0.00		462896.47 462896.47	784244.39 784244.39		W 103 32 50.75 W 103 32 50.75
	1300.00	0.00	269.82	1300.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
Rustler	1330.00 1400.00	0.00 0.00	269.82 269.82	<i>1330.00</i> 1400.00	0.00 0.00	0.00 0.00	0.00 0.00		462896.47 462896.47	784244.39 784244.39	N 32 16 12.47 N 32 16 12 47	W 103 32 50.75 W 103 32 50.75
	1500.00	0.00	269.82	1500.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
Top of Salt	1600.00 1680.00	0.00 <i>0.00</i>	269.82 269.82	1600.00 <i>1680.00</i>	0.00 <i>0.00</i>	0.00 0.00	0.00 0.00		462896.47 462896.47	784244.39 784244.39	N 32 16 12.47 N 32 16 12.47	
Top of Oak	1700.00	0.00	269.82	1700.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
	1800.00 1900.00		269.82 269.82	1800.00 1900.00	0.00 0.00	0.00 0.00	0.00		462896.47 462896.47	784244.39 784244.39	N 32 16 12.47 N 32 16 12 47	W 103 32 50.75 W 103 32 50.75
	2000.00	0.00	269.82	2000.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
	2100.00 2200.00		269.82 269.82	2100.00 2200.00	0.00 0.00	0.00 0.00	0.00		462896.47 462896.47	784244.39 784244.39	N 32 16 12.47 N 32 16 12.47	
	2300.00	0.00	269.82	2300.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
Nudge 2°/100'	2400.00		269.82	2400.00	0.00	0.00	0.00		462896.47	784244.39	N 32 16 12.47	
DLS	2500.00		269.82	2500.00	0.00	0.00	0.00		462896.47		N 32 16 12.47	
	2600.00 2700.00		269.82 269.82	2599.98 2699.84	0.01 0.03	-0.01 -0.02	-1.75 -6.98		462896.46 462896.45	784242.64 784237.41		W 103 32 50.77 W 103 32 50.83
11-1-1 N 1	2800.00		269.82	2799.45	0.06	-0.05	-15.69		462896.42	784228.70	N 32 16 12.48	W 103 32 50.93
Hold Nudge	2867.05 2900.00		269.82 269.82	2866.05 2898.73	0.09 0.11	-0.08 -0.09	-23.48 -27.69		462896.40 462896.38	784220.91 784216.70	N 32 16 12.48	W 103 32 51.02 W 103 32 51.07
	3000.00		269.82	2997.91	0.15	-0.13	-40.47		462896.34	784203.92		W 103 32 51.22
	3100.00 3200.00		269.82 269.82	3097.09 3196.27	0.20 0.25	-0.17 -0.21	-53.25 -66.02		462896.30 462896.26	784191.14 784178.37		W 103 32 51.37 W 103 32 51.52
	3300.00		269.82 269.82	3295.45 3394.63	0.30 0.35	-0.25 -0.29	-78.80 -91.58		462896.22	784165.59 784152.81	N 32 16 12.48	W 103 32 51.67 W 103 32 51.82
	3400.00 3500.00		269.82	3493.81	0.35	-0.29	-104.36		462896.18 462896.14	784152.81	N 32 16 12.48	
	3600.00		269.82	3592.99	0.44 0.49	-0.37 -0.41	-117.13		462896.10 462896.06	784127.26 784114.48	N 32 16 12.48 N 32 16 12.48	
Castille	3700.00 3788.56	7.34	269.82 269.82	3692.17 3780.00	0.54	-0.45	-129.91 - <i>141.</i> 23	0.00	462896.02	784103.17	N 32 16 12.48	W 103 32 52.39
	3800.00 3900.00		269.82 269.82	3791.35 3890.53	0.54 0.59	-0.46 -0.50	-142.69 -155.47		462896.01 462895.97	784101.71 784088.93	N 32 16 12.48 N 32 16 12.48	
	4000.00		269.82	3989.71	0.64	-0.54	-168.24		462895.93	784076.15	N 32 16 12.48	
	4100.00 4200.00		269.82 269.82	4088.89 4188.07	0.69 0.74	-0.58 -0.62	-181.02 -193.80		462895.89 462895.85	784063.37 784050.60	N 32 16 12.48 N 32 16 12.48	
	4300.00	7.34	269.82	4287.25	0.78	-0.66	-206.58	8 0.00	462895.81	784037.82	N 32 16 12.48	W 103 32 53.16
Bell Canyon	4359.23 4400.00	7.34 7.34	269.82 269.82	4346.00 4386.43	0.81 0.83	-0.68 -0.70	-214.14 -219.35		462895.79 462895.77	784030.25 784025.04	N 32 16 12.48 N 32 16 12.48	
	4500.00	7.34	269.82	4485.61	0.88	-0.74	-232.13	3 0.00	462895.73	784012.27	N 32 16 12.48	W 103 32 53.45
	4600.00 4700.00		269.82 269.82	4584.79 4683.97	0.93 0.98	-0.78 -0.82	-244.91 -257.68		462895.69 462895.65	783999.49 783986.71	N 32 16 12.48 N 32 16 12.49	W 103 32 53.60 W 103 32 53.75
Base of Salt	4796.82	7.34	269.82	4780.00	1.03	-0.86	-270.06	0.00	462895.61	783974.34	N 32 16 12.49	W 103 32 53.89
	4800.00 4900.00		269.82 269.82	4783.15 4882.33	1.03 1.08	-0.86 -0.90	-270.46 -283.24		462895.61 462895.57	783973.93 783961.16	N 32 16 12.49 N 32 16 12.49	
	5000.00		269.82	4981.51	1.12	-0.95	-296.02		462895.52	783948.38		W 103 32 54.20
Drop to Vertical 2°/100' DLS	5018.64	7.34	269.82	5000.00	1.13	-0.95	-298.40	0.00	462895.52	783946.00	N 32 16 12.49	W 103 32 54.22
	5100.00		269.82	5080.83	1.17	-0.98	-307.65		462895.49	783936.75	N 32 16 12.49	
	5200.00 5300.00		269.82 269.82	5180.49 5280.37	1.20 1.22	-1.01 -1.02	-315.86 -320.60		462895.46 462895.45	783928.53 783923.80	N 32 16 12.49 N 32 16 12.49	
Hold Vertical	5385.69	0.00	269.82	5366.05	1.22	-1.03	-321.88	3 2.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	5400.00 5500.00		269.82 269.82	5380.36 5480.36	1.22 1.22	-1.03 -1.03	-321.88 -321.88		462895.44 462895.44	783922.52		W 103 32 54.50
	5600.00	0.00	269.82	5580.36	1.22	-1.03	-321.88	8 0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	5700.00 5800.00		269.82 269.82	5680.36 5780.36	1.22 1.22	-1.03 -1.03	-321.88 -321.88		462895.44 462895.44		N 32 16 12.49 N 32 16 12.49	
	5900.00	0.00	269.82	5880.36	1.22	-1.03	-321.88	3 0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	6000.00 6100.00		269.82 269.82	5980.36 6080.36	1.22 1.22	-1.03 -1.03	-321.88 -321.88		462895.44 462895.44		N 32 16 12.49 N 32 16 12.49	
	6200.00		269.82	6180.36	1.22	-1.03	-321.88	8 0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
Cherry Canyon	6265.64	0.00	269.82	6246.00	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	6300.00 6400.00		269.82 269.82	6280.36 6380.36	1.22 1.22	-1.03 -1.03	-321.88 -321.88		462895.44 462895.44		N 32 16 12.49 N 32 16 12.49	
	6500.00		269.82	6480.36	1.22	-1.03	-321.88		462895.44		N 32 16 12.49	

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
	6600.00	0.00	269.82	6580.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	6700.00	0.00	269.82	6680.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	6800.00	0.00	269.82	6780.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	6900.00	0.00	269.82	6880.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	7000.00	0.00	269.82	6980.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	7100.00	0.00	269.82	7080.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	7200.00	0.00	269.82	7180.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	7300.00	0.00	269.82	7280.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	7400.00	0.00	269.82	7380.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	7500.00	0.00	269.82	7480.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
Brushy Canyon	7594.64	0.00	269.82	7575.00	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	7600.00	0.00	269.82	7580.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	7700.00	0.00	269.82	7680.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	7800.00	0.00	269.82	7780.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	7900.00	0.00	269.82	7880.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8000.00	0.00	269.82	7980.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8100.00	0.00	269.82	8080.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8200.00	0.00	269.82	8180.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8300.00	0.00	269.82	8280.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8400.00	0.00	269.82	8380.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8500.00	0.00	269.82	8480.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8600.00	0.00	269.82	8580.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8700.00	0.00	269.82	8680.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8800.00	0.00	269.82	8780.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
	8900.00	0.00	269.82	8880.36	1.22	-1.03	-321.88	0.00	462895.44		N 32 16 12.49	
	9000.00	0.00	269.82	8980.36	1.22	-1.03	-321.88	0.00	462895.44	783922.52		W 103 32 54.50
	9100.00	0.00	269.82	9080.36	1.22	-1.03	-321.88	0.00	462895.44			W 103 32 54.50
Bone Spring	9164.64	0.00	269.82	9145.00	1.22	-1.03	-321.88	0.00	462895.44			W 103 32 54.50
	9200.00	0.00	269.82	9180.36	1.22	-1.03	-321.88	0.00	462895.44		N 32 16 12.49	
KOP - Build	9264.19	0.00	269.82	9244.55	1.22	-1.03	-321.88	0.00	462895.44		N 32 16 12.49	
12°/100' DLS												
	9300.00	4.30	359.60	9280.32	2.56	0.31	-321.89	12.00	462896.78			W 103 32 54.50
	9400.00	16.30	359.60	9378.53	20.41	18.16	-322.01	12.00	462914.63			W 103 32 54.50
	9500.00	28.30	359.60	9470.89	58.28	56.03	-322.28	12.00	462952.50			W 103 32 54.50
	9600.00	40.30	359.60	9553.35	114.53	112.27	-322.67	12.00	463008.74		N 32 16 13.61	
Avalon Shale	9643.22	45.48	359.60	9585.00	143.93	141.67	-322.88	12.00	463038.14		N 32 16 13.90	
	9700.00	52.30	359.60	9622.31	186.69	184.43	-323.18	12.00	463080.90			W 103 32 54.50
	9800.00	64.30	359.60	9674.77	271.61	269.35	-323.77	12.00	463165.82		N 32 16 15.16	
	9900.00	76.30	359.60	9708.42	365.58	363.33	-324.43	12.00	463259.79			W 103 32 54.50
	10000.00	88.30	359.60	9721.80	464.50	462.24	-325.12	12.00	463358.70			W 103 32 54.50
Avalon Target	10011.08	89.63	359.60	9722.00	475.58	473.32	-325.20	12.00	463369.77	783919.20	N 32 16 17.18	W 103 32 54.50
Avalon Target	10017.30	90.37	359.60	9722.00	481.79	479.53	-325.24	12.00	463375.99	783919.16	N 32 16 17.24	W 103 32 54.50
Landing Point												
	10100.00	90.37	359.60	9721.46	564.50	562.23	-325.82	0.00	463458.69		N 32 16 18.06	
	10200.00	90.37	359.60	9720.81	664.49	662.23	-326.52	0.00	463558.68			W 103 32 54.50
	10300.00	90.37	359.60	9720.16	764.49	762.22	-327.22	0.00	463658.67			W 103 32 54.50
	10400.00	90.37	359.60	9719.51	864.49	862.22	-327.91	0.00	463758.67	783916.48		W 103 32 54.49
	10500.00	90.37	359.60	9718.86	964.49	962.21	-328.61	0.00	463858.66	783915.78		W 103 32 54.49
	10600.00	90.37	359.60	9718.21	1064.49	1062.21	-329.31	0.00	463958.65	783915.09		W 103 32 54.49
	10700.00	90.37	359.60	9717.56	1164.48	1162.21	-330.01	0.00	464058.65	783914.39		W 103 32 54.49
	10800.00	90.37	359.60	9716.91	1264.48	1262.20	-330.71	0.00	464158.64	783913.69		W 103 32 54.49
	10900.00	90.37	359.60	9716.25	1364.48	1362.20	-331.41	0.00	464258.63	783912.99		W 103 32 54.49
	11000.00	90.37	359.60	9715.60	1464.48	1462.19	-332.11	0.00	464358.62	783912.29		W 103 32 54.49
	11100.00	90.37	359.60	9714.95	1564.48	1562.19	-332.81	0.00	464458.62	783911.59		W 103 32 54.49
	11200.00	90.37	359.60	9714.30	1664.47	1662.18	-333.51	0.00	464558.61	783910.89		W 103 32 54.49
	11300.00	90.37	359.60	9713.65	1764.47	1762.18	-334.21	0.00	464658.60	783910.19		W 103 32 54.49
	11400.00	90.37	359.60	9713.00	1864.47	1862.17	-334.90	0.00	464758.60	783909.49		W 103 32 54.49
	11500.00	90.37	359.60	9712.35	1964.47	1962.17	-335.60	0.00	464858.59	783908.79		W 103 32 54.49
	11600.00	90.37	359.60	9711.70	2064.47	2062.16	-336.30	0.00	464958.58		N 32 16 32.90	
	11700.00	90.37	359.60	9711.05	2164.46	2162.16	-337.00	0.00	465058.58		N 32 16 33.89	
	11800.00	90.37	359.60	9710.40	2264.46	2262.16	-337.70	0.00	465158.57			W 103 32 54.49
	11900.00	90.37	359.60	9709.75	2364.46	2362.15	-338.40	0.00	465258.56			W 103 32 54.49
	12000.00	90.37	359.60	9709.10	2464.46	2462.15	-339.10	0.00	465358.55		N 32 16 36.86	
	12100.00	90.37	359.60	9708.44	2564.45	2562.14	-339.80	0.00	465458.55		N 32 16 37.85	
	12200.00	90.37	359.60	9707.79	2664.45	2662.14	-340.50	0.00	465558.54		N 32 16 38.84	
	12300.00	90.37	359.60	9707.14	2764.45	2762.13	-341.20	0.00	465658.53		N 32 16 39.83	
	12400.00	90.37	359.60	9706.49	2864.45	2862.13	-341.90	0.00	465758.53			W 103 32 54.49
	12500.00	90.37	359.60	9705.84	2964.45	2962.12	-342.59	0.00	465858.52		N 32 16 41.81	
	12600.00	90.37	359.60	9705.19	3064.44	3062.12	-343.29	0.00	465958.51		N 32 16 42.80	
	12700.00	90.37	359.60	9704.54	3164.44	3162.11	-343.99	0.00	466058.50	783900.41	N 32 16 43.79	W 103 32 54.49
	12800.00	90.37	359.60	9703.89	3264.44	3262.11	-344.69	0.00	466158.50	783899.71	N 32 16 44.78	W 103 32 54.49
	12900.00	90.37	359.60	9703.24	3364.44	3362.11	-345.39	0.00	466258.49		N 32 16 45.77	
	13000.00	90.37	359.60	9702.59	3464.44	3462.10	-346.09	0.00	466358.48		N 32 16 46.76	
	13100.00	90.37	359.60	9701.94	3564.43	3562.10	-346.79	0.00	466458.48		N 32 16 47.75	
	13200.00	90.37	359.60	9701.28	3664.43	3662.09	-347.49	0.00	466558.47		N 32 16 48.74	
	13300.00	90.37	359.60	9700.63	3764.43	3762.09	-348.19	0.00	466658.46		N 32 16 49.73	
	13400.00	90.37	359.60	9699.98	3864.43	3862.08	-348.89	0.00	466758.45		N 32 16 50.71	
	13500.00	90.37	359.60	9699.33	3964.42	3962.08	-349.58	0.00	466858.45		N 32 16 51.70	
	13600.00	90.37	359.60	9698.68	4064.42	4062.07	-350.28	0.00	466958.44		N 32 16 52.69	
	13700.00	90.37	359.60	9698.03	4164.42	4162.07	-350.98	0.00	467058.43		N 32 16 53.68	
	13800.00	90.37	359.60	9697.38	4264.42	4262.06	-351.68	0.00	467158.43		N 32 16 54.67	
Cimarex West												
Bell Lake 26	10055 55			000-00	1005 55	1000 5 1	050 00		107010	7000000	N 00 45 55 55	14 400 65 -1
		90.37	359.60	9697.00	4322.69	4320.34	-352.09	0.00	467216.70	783892.31	N 32 16 55.25	W 103 32 54.48
	13858.28	00.01										
Federal #18H - PHBL [330' FNL, 990' FWL]	13030.20	00.07										

Survey Type:

Non-Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size Casi (in)	ing Diameter (in)	Expected Max Inclination (deg)	Survey Tool Type	Borehole / Survey
	1	0.000	26.000	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS-Depth Only	West Bell Lake 26 Federal #18H / Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09
	1	26.000	13858.278	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS	West Bell Lake 26 Federal #18H / Cimarex West Bell Lake 26

Drilling Office 2.10.760.0 ...West Bell Lake 26 Federal #18H\Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09 **Released to Imaging: 2/10/2021 12:10:03 PM**

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Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09 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 Lat / Long CRS Grid Converge Grid Scale Factor: Version / Patch:	ice System: j: //X:	West Bell Lake 26 West Bell Lake 26 Unknown / Unknow Cimarex West Bell July 08, 2019 105.055 ° / 4643.35 NAD83 New Mexico N 32° 16' 12.47473	AD 83) Lake 26 Federal #18 Federal #18H Federal #18H n Lake 26 Federal #18	H Rev0 RM 08Jul0 n Zone, US Feet	Ver Ver TVL Sea Gra Gra Tot Mag Dec Mag Nor Grid Tot Nor Nor	vey / DLS Computitical Section Azim tical Section Azim tical Section Origi D Reference Datun D Reference Eleva ubed / Ground Elev gnetic Declination al Gravity Field St vity Model: al Magnetic Field gnetic Dip Angle: clination Date: gnetic Declination th Reference: d Convergence Us al Corr Mag North th: al Coord Reference	nuth: in: n: tion: vation: : rrength: Strength: Strength: Model: sed: ->Grid	Minimum Curvature / Lubinski 339.600 ° (Grid North) 0.000 ft, 0.000 ft RKB 3867.400 ft above MSL 3661.400 ft above MSL 6.654 ° 998.4415mgn (9.80665 Based) GARM 47939.036 nT 59.958 ° July 08, 2019 HDGM 2019 Grid North 0.4196 ° 6.2344 ° Well Head				
Comments	MD (ft)		Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
SHL [630' FSL, 1310' FWL]	0.00	0.00	355.34	0.00	0.00	0.00	0.00	N/A	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
Nudge 2°/100' DLS	2500.00	0.00	269.82	2500.00	0.00	0.00	0.00	0.00	462896.47	784244.39	N 32 16 12.47	W 103 32 50.75
Hold Nudge	2867.05	7.34	269.82	2866.05	0.09	-0.08	-23.48	2.00	462896.40	784220.91	N 32 16 12.48	W 103 32 51.02
Drop to Vertical 2°/100' DLS	5018.64	7.34	269.82	5000.00	1.13	-0.95	-298.40	0.00	462895.52	783946.00	N 32 16 12.49	W 103 32 54.22
Hold Vertical	5385.69	0.00	269.82	5366.05	1.22	-1.03	-321.88	2.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
KOP - Build 12°/100' DLS	9264.19	0.00	269.82	9244.55	1.22	-1.03	-321.88	0.00	462895.44	783922.52	N 32 16 12.49	W 103 32 54.50
Landing Point Cimarex West Bell Lake 26 Federal #18H - PHBL [330' FNL, 990' FWL]	10017.30 13858.28		359.60 359.60	9722.00 9697.00	481.79 4322.69	479.53 4320.34	-325.24 -352.09	12.00 0.00	463375.99 467216.70			W 103 32 54.50 W 103 32 54.48

Survey Type:

Non-Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma Survey Program:

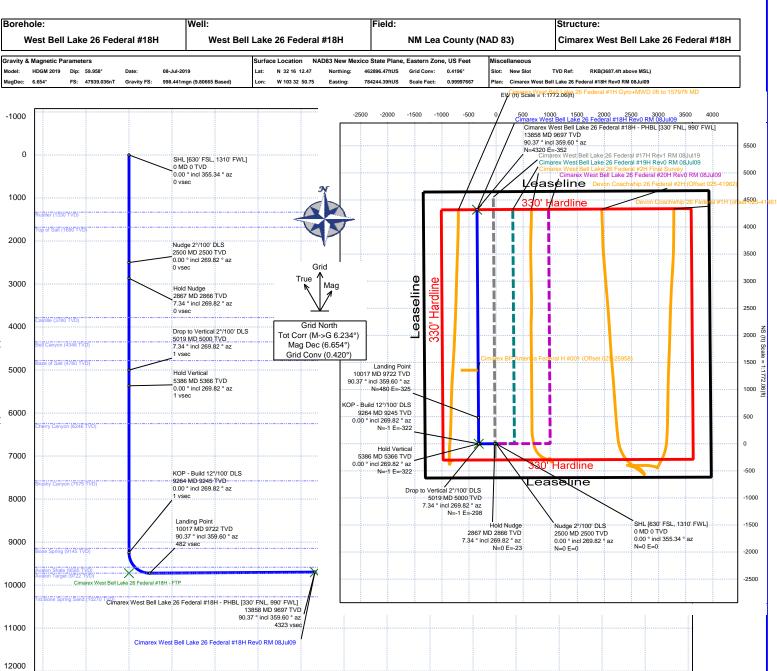
Des	scription Par	t MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size Ca (in)	Hole Size Casing Diameter		Hole Size Casing Diameter		Hole Size Casing Diameter		Hole Size Casing Diameter		Hole Size Casing Diameter				Survey Tool Type	Borehole / Survey
		0.000	26.000	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS-Depth Only	West Bell Lake 26 Federal #18H / Cimarex West Bell Lake 26 Federal #18H Rev0 RM 08Jul09										
		26.000	13858.278	1/100.000	30.000	30.000		NAL_MWD_IFR1+MS	West Bell Lake 26 Federal #18H / Cimarex West Bell Lake 26										

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TVD (ft) Scale = 1:2231.73(ft)



Vertical Section (ft) Azim = 359.60° Scale = 1:2231.73(ft) Origin = 0N/-S, 0E/-W

6000

7000

8000

9000

10000

11000

12000 13000

5000

Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
SHL [630' FSL, 1310' FWL]	0.00	0.00	355.34	0.00	0.00	0.00	0.00	
Rustler	1330.00	0.00	269.82	1330.00	0.00	0.00	0.00	0.00
Top of Salt	1680.00	0.00	269.82	1680.00	0.00	0.00	0.00	0.00
Nudge 2°/100' DLS	2500.00	0.00	269.82	2500.00	0.00	0.00	0.00	0.00
Hold Nudge	2867.05	7.34	269.82	2866.05	0.09	-0.08	-23.48	2.00
Castille	3788.56	7.34	269.82	3780.00	0.54	-0.45	-141.23	0.00
Bell Canyon	4359.23	7.34	269.82	4346.00	0.81	-0.68	-214.14	0.00
Base of Salt	4796.82	7.34	269.82	4780.00	1.03	-0.86	-270.06	0.00
Drop to Vertical 2°/100' DLS	5018.64	7.34	269.82	5000.00	1.13	-0.95	-298.40	0.00
Hold Vertical	5385.69	0.00	269.82	5366.05	1.22	-1.03	-321.88	2.00
Cherry Canyon	6265.64	0.00	269.82	6246.00	1.22	-1.03	-321.88	0.00
Brushy Canyon	7594.64	0.00	269.82	7575.00	1.22	-1.03	-321.88	0.00
Bone Spring	9164.64	0.00	269.82	9145.00	1.22	-1.03	-321.88	0.00
KOP - Build 12°/100' DLS	9264.19	0.00	269.82	9244.55	1.22	-1.03	-321.88	0.00
Avalon Shale	9643.22	45.48	359.60	9585.00	143.93	141.67	-322.88	12.00
Avalon Target	10011.08	89.63	359.60	9722.00	475.58	473.32	-325.20	12.00
anding Point	10017.30	90.37	359.60	9722.00	481.79	479.53	-325.24	12.00
Avalon Target	10017.30	90.37	359.60	9722.00	481.80	479.54	-325.24	0.00
Cimarex West Bell Lake 26 Federal #18H - PHBL 330' FNL, 990' FWL]	13858.28	90.37	359.60	9697.00	4322.69	4320.34	-352.09	0.00
Ist Bone Spring Sand	NaN			10270.00				

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-2000

-1000

0

1000

2000

3000

4000

CIMARE

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Cimarex Energy Company of Colorado
LEASE NO.:	NMNM126495
WELL NAME & NO.:	W Bell Lake 26 Fed 18H
SURFACE HOLE FOOTAGE:	630'/S & 1310'/W
BOTTOM HOLE FOOTAGE	330'/N & 990'/W
LOCATION:	Section 26, T.23 S., R.33 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	• Yes	O No	
Potash	None	Secretary	© R-111-P
Cave/Karst Potential	• Low	O Medium	O High
Cave/Karst Potential	Critical		
Variance	O None	Flex Hose	Other
Wellhead	Conventional	Multibowl	O Both
Other	□4 String Area	Capitan Reef	□ WIPP
Other	Fluid Filled	Cement Squeeze	Pilot Hole
Special Requirements	🗌 Water Disposal	СОМ	🗆 Unit

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Bell Lake Atoka Pool** 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 **1,450 feet** (a minimum of **25 feet** (**Lea County**) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - 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.

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- b. Wait on cement (WOC) time for a primary cement job will be a minimum of $\underline{\mathbf{8}}$ <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to 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 and shall be set at approximately **5,275 feet** is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- 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.

The production casing has an excess of 22%. Additional cement may be needed.

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 **2000 (2M) psi**.
- 3. 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.

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)
 - 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.
- 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.
- 2. <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 hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. <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. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 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.
- 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: The flex line must meet the requirements of API 16C. 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 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

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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, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- 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.

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.

YJ (07/30/2020)

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

	Cimarex Energy Company Lease Number NMNM126495
COUNTY:	Lea

Wells:

W Bell Lake 26 Federal 17H

Surface Hole Location: 630' FNL & 1290' FWL, Section 26, T. 23 S., R. 33 E. Bottom Hole Location: 100' FSL & 1292' FWL, Section 26, T. 23 S., R. 33 E.

W Bell Lake 26 Federal 18H Surface Hole Location: 630' FNL & 1310' FWL, Section 26, T. 23 S., R. 33 E. Bottom Hole Location: 330' FSL & 990' FWL, Section 26, T. 23 S., R. 33 E.

W Bell Lake 26 Federal 19H Surface Hole Location: 630' FNL & 1330' FWL, Section 26, T. 23 S., R. 33 E. Bottom Hole Location: 330' FSL & 1650' FWL, Section 26, T. 23 S., R. 33 E.

W Bell Lake 26 Federal 20H Surface Hole Location: 630' FNL & 1350' FWL, Section 26, T. 23 S., R. 33 E. Bottom Hole Location: 330' FSL & 2310' FWL, Section 26, T. 23 S., R. 33 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 Watershed Construction Notification Topsoil **Closed Loop System** Federal Mineral Material Pits Well Pads Roads Road Section Diagram **Production (Post Drilling)** Well Structures & Facilities Pipelines **Electric Lines** Interim Reclamation Final Abandonment & Reclamation

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 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.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See information below discussing NAGPRA.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

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Any 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.

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.

SPECIAL REQUIREMENT(S)

Watershed:

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 topsoil 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:

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 ½ 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.

BURIED/SURFACE LINE(S):

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 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.

Prior to pipeline installation/construction a leak detection plan will be developed. The method(s) 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.

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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.

ELECTRIC LINE(S):

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 USE FRESH WATER FRAC LINE(S):

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.

V. 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

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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)

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.

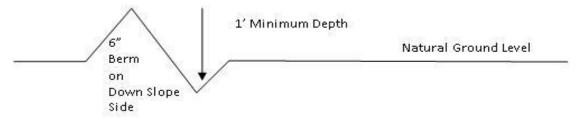
Drainage

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.

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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: $\underline{400'} + 100' = 200'$ lead-off ditch interval $\underline{4\%}$

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.

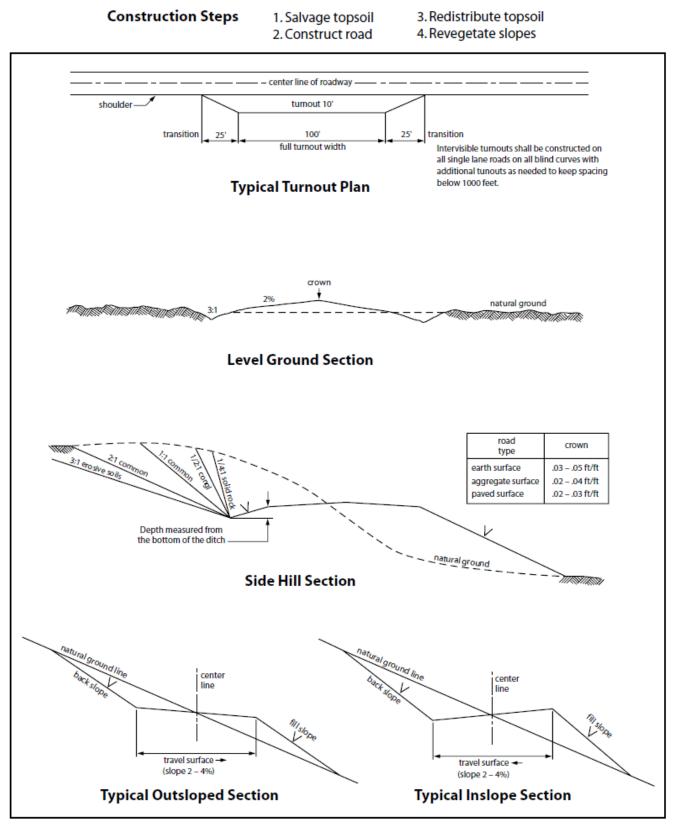
Fence Requirement

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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VI. 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 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.

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

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, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, passages, or voids are intersected by trenching, and no pipe will be laid in the trench at that point until clearance has been issued by the Authorized Officer.
- If a void is encountered alignments may be rerouted to avoid the karst feature and lessen; the potential of subsidence or collapse of karst features, buildup of toxic or combustible gas, or other possible impacts to cave and karst resources from the buried pipeline.
- Special restoration stipulations or realignment may be required at such intersections, if any.
- 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 values 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.
- Regular monitoring is required to quickly identify leaks for their immediate and proper treatment.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

CONDITIONS OF APPROVAL FOR TEMPORARY FRESHWATER PIPELINES

Subject to the terms and conditions which are shown below, is hereby approved:

- Surface pipelines 6.5 inch to 16 inch OD may be in place for no more than 180 days not including installation. A separate application will be submitted to the BLM when Cimarex needs the surface pipeline.
- Surface pipeline will be in operation for no more than 180 days; a maximum of seven (7) days authorized for installation of the lay flat poly line prior to operation.
- Surface pipelines larger than 6.5 inch to-16-inch OD may be in place for no more than 180 days from date of authorization; 5/1/2018, unless a SF-299 is submitted within 30 days of this decision expiring requesting a long term buried fresh water pipeline, and processing of the SF-299 is not yet complete at the end of 30 days, in which case the line(s) may be left in place until a decision is made on the SF-299.
- All lines will be removed when no longer in use.
- Width of authorized use is 15-feet.

• No blading and/or earthwork will be allowed in order to place the pipeline except burying the line under crossings.

• The pipeline will be buried under all intersecting routes, including BLM-designated trails and access roads into caliche pits, rancher watering stations, etc. All such buried crossings will be removed when the pipeline is removed, unless otherwise approved by the Authorized Officer. Pipelines larger than 6.5-inch OD may utilize other crossing methodologies (but any fill placed over pipeline must be brought in from off-site).

• Pipeline crossings of fences should be avoided where possible. If a crossing is necessary, contact fence owner [usually the grazing permittee] prior to installation, and install by threading pipeline under the lowest wire of the fence; pipeline should never cross on top of any fence wires.

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• The pipeline shall stay within 10 feet maximum of existing disturbance (e.g. lease road, pipeline right-of-way etc.); placement should be within 5 feet whenever possible.

• Placement of pumps or other high-maintenance equipment shall be installed along maintained lease roads.

• Gas or diesel pumps, generators, or compressors shall be placed on visquen matting [or 20 mil plastic] and in a containment structure capable of containing all potentially released fuels. Containments must be protected against wildlife deaths in accordance with oilfield best management practices.

• Due to potential damage to natural resources, no work is allowed during inclement weather.

• Pipeline will be marked with your company's name and contact number, at beginning and ending points, at all public-road crossings, and at intervals not exceeding every 0.6 mile, unless otherwise approved by the Authorized Officer.

• Should unforeseen damage occur to resources, BLM will require reclamation of the impacted land.

• No water may be released into the environment without BLM consent.

• Placement of surface pipelines along or under public roadways may require permits from the road authority.

• This authorization is limited to lands under BLM jurisdiction. If your proposed pipeline crosses lands under private ownership or under other agency jurisdiction, you are responsible for obtaining all necessary permits and approvals from those parties.

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, 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.

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Approval Date: 09/15/2020

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, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, <u>et seq</u>.) 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.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil 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 or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of 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 holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of <u>36</u> inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be <u>30</u> feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed <u>30</u> feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately <u>6</u> inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. 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.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

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.

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

() seed mixture 1	() seed mixture 3
(X) seed mixture 2	() seed mixture 4
() seed mixture 2/LPC	() Aplomado Falcon Mixture

13. 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 color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. 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. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. 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 before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural 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 made by the Authorized Officer after consulting with the holder.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 17 for more information.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

17. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

18. Any 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.

19. 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 associated roads, 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.

20. <u>Escape Ramps</u> - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review 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. 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. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard 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 in particular, 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. 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 provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. 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 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 Holder, regardless of fault. Upon failure of 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/she 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 Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

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6. All construction and maintenance activity shall be confined to the authorized right-of-way width of <u>30</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall 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 shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

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

8. 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 of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of <u>6</u> inches under all roads, "twotracks," 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 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.

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OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 16 for more information.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

16. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

17. Any 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.

18. 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.

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

C. ELECTRIC LINES

- Smaller powerlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize changes to runoff or possible leaks and spills from entering karst systems. Larger powerlines will adjust their pole spacing to avoid cave and karst features.
- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction.
- No further construction will be done until clearance has been issued by the Authorized Officer.
- Special restoration stipulations or realignment may be required.

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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, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) 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.

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

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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 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.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 11 for more information.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

11. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

12. Any 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

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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.

13. Special Stipulations:

For reclamation remove poles, lines, transformer, etc. and dispose of properly. Fill in any holes from the poles removed.

VII. 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.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

VIII. 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).

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Seed Mixture 2, for Sandy Sites

The 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 will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will 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). The 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. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will 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:

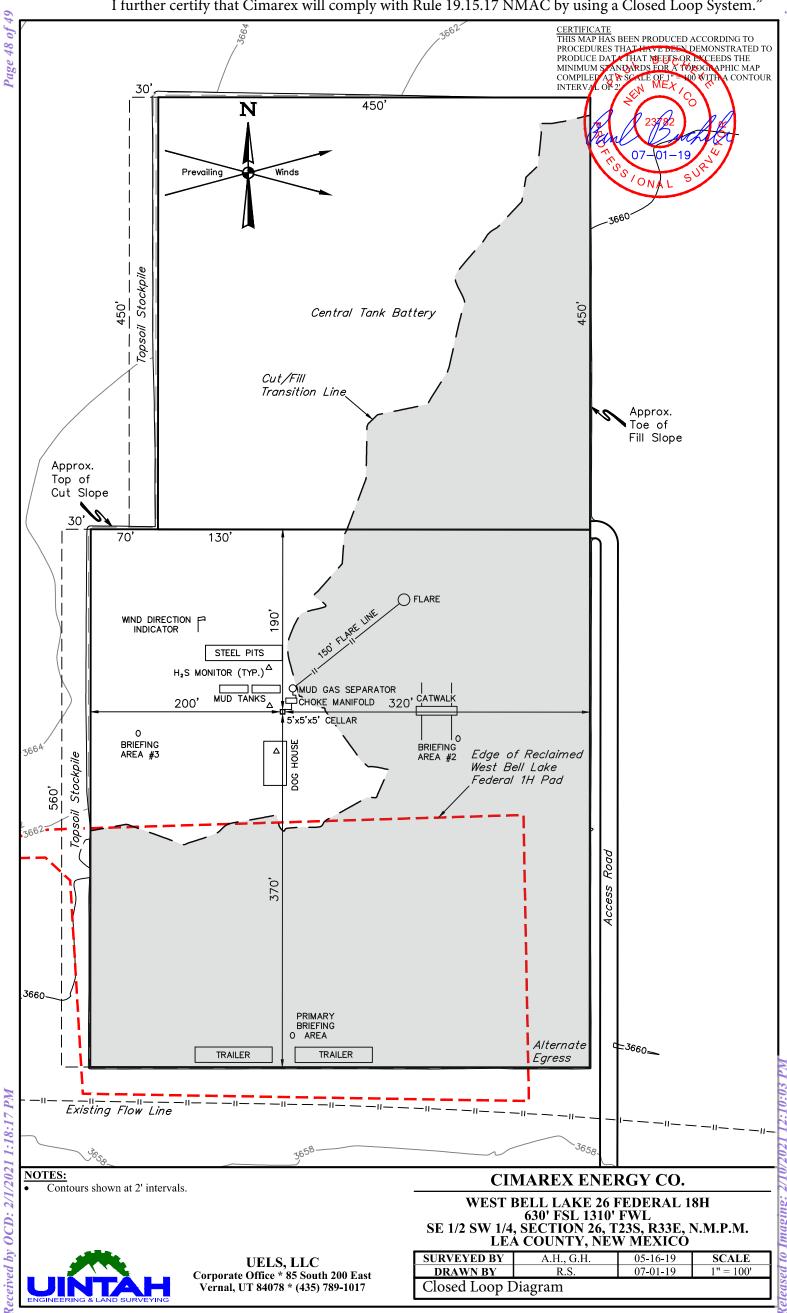
Species

	l <u>b/acre</u>
Sand dropseed (Sporobolus cryptandrus)	1.0
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

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

I further certify that Cimarex will comply with Rule 19.15.17 NMAC by using a Closed Loop System."



CONDITIONS

Action 16544

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS OF APPROVAL

Operator:		OGRID:	Action Number:	Action Type:		
	CIMAREX ENERGY CO. 600 N. Marienfeld Street	215099	16544	FORM 3160-3		
Suite 600	Midland, TX79701					
OCD	Condition					
Reviewer						
pkautz Will require a File As Drilled C-102 and a Directional Survey with the C-104						
pkautz Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and						
shall immediately set in cement the water protection string						