Form 3160-5 (June 2019)

UNITED STATES DEPARTMENT OF THE INTERIOR

| FORM APPRO | OVED |
|------------------|---------|
| OMB No. 1004 | -0137 |
| Expires: October | 31, 202 |

| BURI | EAU OF LAND MANAGEMENT | J. Lease Serial No. | | |
|--|---|---------------------------|--------------------------------------|---|
| Do not use this f | OTICES AND REPORTS ON Worm for proposals to drill or to Jse Form 3160-3 (APD) for suc | 6. If Indian, Allottee or | 6. If Indian, Allottee or Tribe Name | |
| abandoned wen. | ose romi oroc-o (Ar b) for suc | лі ріорозаіз. | 7 IfII:: 4 - f C A / A | None and None |
| | TRIPLICATE - Other instructions on page | 9 2 | /. If Unit of CA/Agree | ement, Name and/or No. |
| 1. Type of Well | | | 8. Well Name and No. | |
| Oil Well Gas W | Vell Other | | | |
| 2. Name of Operator | | 9. API Well No. | | |
| 3a. Address | 3b. Phone No. | (include area code) | 10. Field and Pool or I | Exploratory Area |
| 4. Location of Well (Footage, Sec., T.,R | .,M., or Survey Description) | | 11. Country or Parish, | State |
| 12. CHE | CK THE APPROPRIATE BOX(ES) TO INC | DICATE NATURE OF NO | TICE, REPORT OR OTH | IER DATA |
| TYPE OF SUBMISSION | | CTION | | |
| Notice of Intent | Acidize Deep Alter Casing Hydra | = | oduction (Start/Resume) | Water Shut-Off Well Integrity |
| Subsequent Report | Casing Repair New | Construction Re | ecomplete | Other |
| Subsequent Report | Change Plans Plug | and Abandon Te | mporarily Abandon | |
| Final Abandonment Notice | Convert to Injection Plug | Back W | ater Disposal | |
| completed. Final Abandonment Not is ready for final inspection.) | ns. If the operation results in a multiple comices must be filed only after all requirements | | | |
| 4. I hereby certify that the foregoing is | true and correct. Name (Printed/Typed) | Title | | |
| Signature | | Date | | |
| | THE SPACE FOR FEDE | ERAL OR STATE C | FICE USE | |
| Approved by | | | I | |
| rr | | Title | I | Date |
| | ned. Approval of this notice does not warrant quitable title to those rights in the subject lead duct operations thereon. | | ' | |
| | B U.S.C Section 1212, make it a crime for an | | villfully to make to any de | partment or agency of the United States |

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law 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, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. 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 the 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., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

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 Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

(Form 3160-5, page 2)

Additional Information

Location of Well

0. SHL: NWNW / 340 FNL / 740 FWL / TWSP: 23S / RANGE: 32E / SECTION: 20 / LAT: 32.296338 / LONG: -103.702814 (TVD: 0 feet, MD: 0 feet)

PPP: NENW / 0 FNL / 1383 FWL / TWSP: 23S / RANGE: 32E / SECTION: 29 / LAT: 32.282844 / LONG: -103.700733 (TVD: 10850 feet, MD: 16900 feet)

PPP: SESW / 1317 FSL / 1384 FWL / TWSP: 23S / RANGE: 32E / SECTION: 20 / LAT: 32.296343 / LONG: -103.700731 (TVD: 10850 feet, MD: 15600 feet)

PPP: NENW / 341 FNL / 1386 FWL / TWSP: 23S / RANGE: 32E / SECTION: 20 / LAT: 32.296343 / LONG: -103.7007239 (TVD: 9345 feet, MD: 9638 feet)

BHL: SESW / 100 FSL / 1386 FWL / TWSP: 23S / RANGE: 32E / SECTION: 29 / LAT: 32.268523 / LONG: -103.700721 (TVD: 10850 feet, MD: 20811 feet)

Received by OCD: 6/21/2022 7:44:51 AM

<u>District I</u> 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 Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

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

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

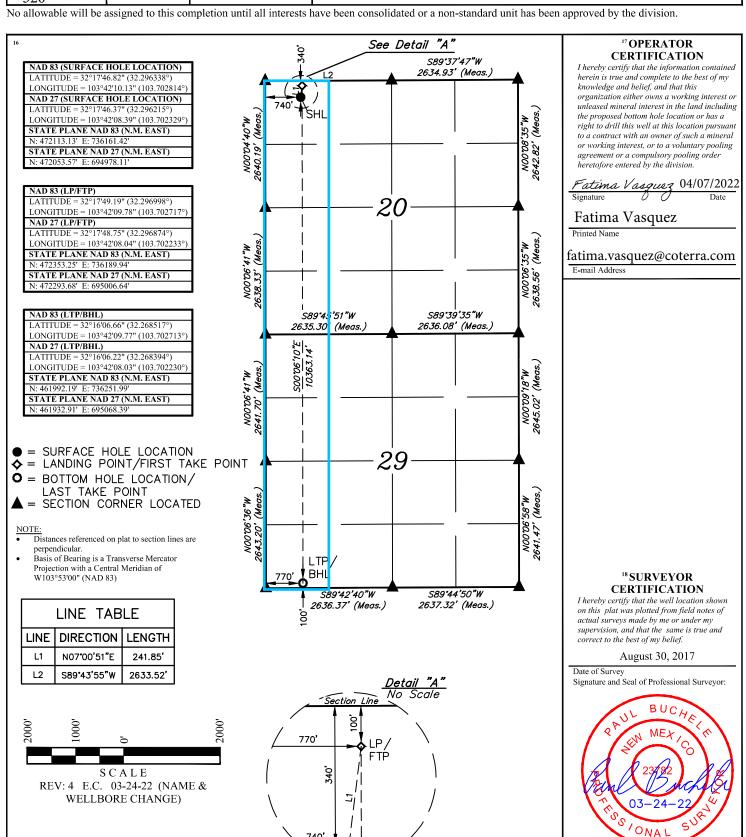
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025-45604 | 30-025-45604 53805 Sand Dunes; Bone Spring, South | | | |
|-------------------------------|---|--|-------------------------------|----------------------------------|
| 313723 | | | operty Name 29 FEDERAL COM | ⁶ Well Number 39H |
| ⁷ OGRID No. 215099 | | | perator Name EX ENERGY CO. | ⁹ Elevation 3677.8 |

¹⁰ Surface Location

| UL or lot no. D | Section 20 | Township 23S | Range 32E | Lot Idn | Feet from the 340 | North/South line NORTH | Feet from the 740 | East/West line WEST | County LEA |
|---|---------------|-----------------|--------------|------------|-------------------|---------------------------|----------------------|------------------------|---------------|
| "Bottom Hole Location If Different From Surface | | | | | | | | | |
| TIT l-4 | C4! | T 1 | D | T -4 T.J., | F 4 f 4h - | NI41- /C41- 12 | F 4 f 4h . | E4/3V4 1! | C |

Range 32E 770 WEST LEA 23S 100 SOUTH M



Released to Imaging: 7/14/2022 11:24:57 AM

Certificate Number

1. Geological Formations

MD at TD 22,058 Deepest expected fresh water

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/Target Zone | Hazards |
|----------------------|---------------------|-----------------------------------|---------|
| Rustler | 1160 | Usable Water | |
| Salado | 2260 | N/A | |
| Castille | 3260 | N/A | |
| Base of Salt | 4510 | N/A | |
| Delaware Sands | 4720 | Hydrocarbons | |
| Bone Spring | 8500 | Hydrocarbons | |
| Avalon Shale | 9050 | Hydrocarbons | |
| Avalon Target | 9345 | Hydrocarbons | |
| 1st Bone Spring Sand | 9650 | Hydrocarbons | |

2. Casing Program

| | _ | Casing Depth To | Setting Depth TVD | Casing Size | Weight (lb/ft) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|--------|-------|--------------------|----------------------|----------------|-------------------|---------------------|--------------|-------------|----------|--------------------|
| 17 1/2 | 0 | 1140 | 1140 | 13-3/8" | 48.00 | H-40/J-55 Hybrid | ST&C | 1.50 | 3.50 | 5.88 |
| 12 1/4 | 0 | 4760 | 4760 | 9-5/8" | 40.00 | HCK-55 | LT&C | 1.49 | 1.55 | 2.95 |
| 8 3/4 | 0 | 11369 | 11369 | 7" | 29.00 | L-80 | LT&C | 1.32 | 1.53 | 1.70 |
| 8 3/4 | 11369 | 12100 | 11905 | 7" | 29.00 | L-80 | BT&C | 1.26 | 1.46 | 43.49 |
| 6 | 10369 | 22058 | 11930 | 4-1/2" | 11.60 | P-110 | BT&C | 1.36 | 1.92 | 20.27 |
| | | | | | BLM | Minimum Sa | lfety 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

Cimarex Energy Co., James 20-29 Federal Com 39H

| | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Υ |
| Does casing meet API specifications? If no, attach casing specification sheet. | Υ |
| 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). | Υ |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? | Υ |
| Is well located within Capitan Reef? | N |
| If yes, does production casing cement tie back a minimum of 50' above the Reef? | N |
| Is well within the designated 4 string boundary. | N |
| Is well located in SOPA but not in R-111-P? | N |
| If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing? | N |
| Is well located in R-111-P and SOPA? | N |
| If yes, are the first three strings cemented to surface? | N |
| Is 2nd string set 100' to 600' below the base of salt? | N |
| Is well located in high Cave/Karst? | N |
| If yes, are there two strings cemented to surface? | N |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs? | N |
| Is well located in critical Cave/Karst? | N |
| If yes, are there three strings cemented to surface? | N |
| Is AC Report included? | Υ |

3. Cementing Program

| Casing | # Sks | Wt. lb/gal | Yld ft3/sack | H2O gal/sk | 500# Comp. Strength (hours) | Slurry Description | | |
|-------------------|-------|---------------|-----------------|---------------|-----------------------------------|--|--|--|
| Surface | 553 | 13.50 | 1.72 | 9.15 | 15.5 | Lead: Class C + Bentonite | | |
| | 148 | 14.80 | 1.34 | 6.32 | 9.5 | Tail: Class C + LCM | | |
| | | | | | | | | |
| Intermediate | 896 | 12.90 | 1.88 | 9.65 | 12 | Lead: 35:65 (Poz:C) + Salt + Bentonite | | |
| 274 14.80 1. | | 1.36 | 6.57 | 9.5 | Tail: Class C + Retarder | | | |
| | | | | | | | | |
| Production | 421 | 10.30 | 3.64 | 22.18 | | Lead: Tuned Light + LCM | | |
| | 122 | 14.80 | 1.36 | 6.57 | 9.5 | Tail: Class C + Retarder | | |
| 124 14.80 1 | | 1.34 | 6.32 9.5 | | Tail: Class C + LCM | | | |
| | | | - | | | · | | |
| Completion System | 739 | 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 | 4500 | 25 |
| Production | 4500 | 25 |
| Completion System | 11900 | 10 |

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

4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

| BOP installed and tested before drilling which hole? | Size | Min Required WP | Туре | | Tested To |
|--|--------|-----------------|------------|---|--------------------------|
| 12 1/4 | 13 5/8 | 2M | Annular | Х | 100% of working pressure |
| | | | Blind Ram | | |
| | | | Pipe Ram | | 2M |
| | | | Double Ram | Х | |
| | | | Other | | |
| 8 3/4 | 13 5/8 | 3M | Annular | Х | 100% of working pressure |
| | | | Blind Ram | | |
| | | | Pipe Ram | | 3M |
| | | | Double Ram | Х | |
| | | | Other | | |
| 6 | 13 5/8 | 5M | Annular | Х | 100% of working pressure |
| | | | Blind Ram | | |
| | | | Pipe Ram | | 5M |
| | | | 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.

- X Formation integrity test will be performed per Onshore Order #2.
 On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed.
 Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
- X A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
 - Y Are anchors required by manufacturer?

5. Mud Program

| Depth | Туре | Weight (ppg) | Viscosity | Water Loss |
|------------------|------------------|--------------|-----------|------------|
| 0' to 1140' | Fresh Water | 7.83 - 8.33 | 28 | N/C |
| 1140' to 4760' | Brine Water | 9.80 - 10.30 | 30-32 | N/C |
| 4760' to 12100' | Cut Brine or OBM | 8.50 - 9.00 | 27-70 | N/C |
| 12100' to 22058' | ОВМ | 8.50 - 9.00 | 50-70 | 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 | Logging, 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 | Interval |
|-------------------------|----------|
| | |

7. Drilling Conditions

| Condition | |
|----------------------------|----------|
| BH Pressure at deepest TVD | 5583 psi |
| Abnormal Temperature | No |

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

X H2S is present

X H2S plan is attached

8. Other Facets of Operation

9. Wellhead

A multi-bowl wellhead system will be utilized.

After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi test. Annular will be tested to working pressure, or a maximum test pressure of 5000 psi. The pressure test will be repeated at least every 30 days, as per Onshore Order No. 2.

The multi-bowl wellhead will be installed by vendor's representative. A copy of the installation instructions has been sent to the BLM field office.

The wellhead will be installed by a third-party welder while being monitored by the wellhead vendor representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

A solid steel body pack-off will be utilized after running and cementing the production casing. After installation the pack-off and lower flange will be pressure tested to 5000 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.

10. Other Variances

Cimarex requests to perform offline cementing. OLC procedure as follows:

- 1.Land casing on solid body mandrel hanger. Engage packoff and lockring.
- 2. Install BPV.
- 3. Skid rig.
- 4. Check for pressure and remove BPV.
- 5. Circulate down casing, taking returns through casing valves.
- 6. Pump lead and tail cement.
- 7. Displace cement and bump the plug.
- 8. Ensure floats are holding pressure.
- 9. RD cement crew.
- 10. Install BPV and TA cap.

Cimarex requests permission to skid the rig to the next well on the pad to begin operations instead of waiting 8 hours for surface cement to harden on this 39H well. Surface cement will be pumped, we will ensure floats hold, do a green cement test and then Skid to the next well on pad. We will not perform any operations on this 39H well until at least 8 hours and when both tail and lead slurry reach 500 psi. The mandrel hanger is made up on the last joint of 13 3/8" casing and then lowered down with and landing joint. It is then lowered down until the mandrel contacts the landing ring which is pre-welded to the conductor pipe. At this point the 13 3/8" casing is entirely supported by the conductor pipe via the landing ring / mandrel and is independent from the rig. This allows us to walk the rig away from the 39H well and begin work on the next well while the cement is hardening. There is no way for the casing to be moved or knocked off center since it is hanging from the landing ring.

District I
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District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

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

Action 118953

CONDITIONS

| Operator: | OGRID: |
|--------------------------|--------------------------------------|
| CIMAREX ENERGY CO. | 215099 |
| 600 N. Marienfeld Street | Action Number: |
| Midland, TX 79701 | 118953 |
| | Action Type: |
| | [C-103] NOI Change of Plans (C-103A) |

CONDITIONS

| Created By | | Condition Date |
|---------------|------|-------------------|
| pkautz | None | 7/14/2022 |