

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
ArtesiaFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		5. Lease Serial No. NMNM19848
2. Name of Operator CIMAREX ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
Contact: ARICKA EASTERLING E-Mail: aeasterling@cimarex.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 202 S. CHEYENNE AVE, SUITE 1000 TULSA, OK 74103	3b. Phone No. (include area code) Ph: 918-560-7060	8. Well Name and No. LAGUNA GRANDE UNIT 7H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T23S R29E NWNE 180FNL 1650FEL		9. API Well No. 30-015-42739
		10. Field and Pool or Exploratory Area LAGUNA SALADO, BS, SOUTH 98220 Purple SAGE Wolfcamp
		11. County or Parish, State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Change to Original A
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	PD

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

Cimarex Energy Co. respectfully requests approval to change the completion formation to the Purple Sage Wolfcamp (98220) from the Bone Spring. The change of the formation will also change the drilling plan for the well.
Please see attached C-102 for formation change. ✓

Proposed TVD: 10,010'
Proposed MD: 14,609'

Proposed Casing Design change:
13-3/8", 48# H-40/J-55 Hybrid. STC set @ 425'
Cmt w/ lead: 75 sx class C; Tail w/ 195 sx class C- TOC @ surf

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #366889 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/14/2017 ()	
Name (Printed/Typed) ARICKA EASTERLING	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 02/13/2017
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By	Title
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	
Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RUP.

Additional data for EC transaction #366889 that would not fit on the form

32. Additional remarks, continued

9-5/8", 36# J-55 LTC set @ 2900'

Cmt w/ lead: 560 sx PozC; Tail w/ 167 Class C ? TOC @ surf

7", 26#, L-80, LTC & BTC set @ 10118'

Cmt w/ lead: 542 sx Class H; Tail w/ 80 sx PozH ? TOC @ 2700'

4-1/2", 11.6#, P-110, BTC set liner @ 9493-14609'

Cmt w/ 327 sx PozH, TOC @ 10118'

Please see attached drilling plan for additional casing & cement design information.

A 2M and 3M BOP was previously approved for the well. A 5M BOP will be added to the pressure control equipment. Please see attached diagrams and choke manifold for the additional 5M system.

Please see attached directional plan for Wolfcamp completion.

1. Geological Formations

TVD of target 10,010

Pilot Hole TD N/A

MD at TD 14,609

Deepest expected fresh water

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone	Hazards
Rustler	156	N/A	
Salado	680	N/A	
Castille	2705	N/A	
Bell Canyon	2923	N/A	
Cherry Canyon	3902	N/A	
Brushy Canyon	4987	N/A	
Brushy Canyon Lower	6306	N/A	
Bone Spring	6593	Hydrocarbons	
Bone Spring "A" Shale	6718	Hydrocarbons	
Bone Spring "B" Limestone	7062	Hydrocarbons	
Bone Spring "C" Shale	7281	Hydrocarbons	
1st Bone Spring Ss	7608	Hydrocarbons	
2nd Bone Spring Limestone	7900	Hydrocarbons	
2nd Bone Spring Ss	8392	Hydrocarbons	
3rd BS Limestone	8738	Hydrocarbons	
3rd Bone Spring Carb Ss	9087	Hydrocarbons	
3rd BS Sandstone	9540	Hydrocarbons	
Wolfcamp A	9897	Hydrocarbons	
Wolfcamp Horz Target	10030	Hydrocarbons	
Wolfcamp A2	10506	Hydrocarbons	

2. Casing Program

See COA

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	175' / 25	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	4.03	9.43	15.78
12 1/4	0	2900	9-5/8"	36.00	J-55	LT&C	1.31	2.29	4.34
8 3/4	0	9493	7"	26.00	L-80	LT&C	1.19	1.60	1.97
8 3/4	9493	10118	7"	26.00	L-80	BT&C	1.14	1.52	50.39
6	9493	14609	4-1/2"	11.60	P-110	BT&C	1.27	1.79	61.20
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Cimarex Energy Co., Laguna Grande Unit 7H

	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?	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

3. Cementing Program

Casing	# Sks	Wt. lb/gal	Yld ft ³ /sack	H ₂ O gal/sk	500# Comp. Strength (hours)	Slurry Description
Surface	75	13.50	1.75	8.83	15.5	Lead: Class C + Bentonite + Calcium Chloride + LCM
	195	14.80	1.34	6.32	9.5	Tail: Class C + LCM
Intermediate	560	12.90	1.88	9.65	12	Lead: 35:65 (Poz:C) + Salt + Bentonite
	167	14.80	1.36	6.57	9.5	Tail: Class C + Retarder
Production	542	10.80	2.35	9.60	17:43	Lead: Tuned Light I Class H
	80	14.20	1.30	5.86	14:30	Tail: 50:50 (Poz:H) + Salt + Bentonite + Fluid Loss + Dispersant + SMS
Completion System	327	14.20	1.30	5.86	14:30	Tail: 50:50 (Poz:H) + Salt + Bentonite + Fluid Loss + Dispersant + SMS

See COFs

See COFs

Casing String	TOC	% Excess
Surface	0	32
Intermediate	0	45
Production	2700	24
Completion System	10118	10

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	Type		Tested To
17 1/2	13 5/8	2M	Annular	X	50% of working pressure
			Blind Ram	X	2M
			Pipe Ram		
			Double Ram	X	
			Other		
12 1/4	13 5/8	3M 2m	Annular	X	50% of working pressure
			Blind Ram	X	3M 2m
			Pipe Ram		
			Double Ram	X	
			Other		
8 3/4	13 5/8	3M 5m per Terni Statham	Annular	X	50% of working pressure
			Blind Ram	X	3M 5m 02/27/2017
			Pipe Ram		
			Double Ram	X	
			Other		
6	13 5/8	5M	Annular	X	50% of working pressure
			Blind Ram	X	5M
			Pipe Ram		
			Double Ram	X	
			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.
N	Are anchors required by manufacturer?

5. Mud Program

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0' to 425'	FW Spud Mud	7.80 - 8.30	28	N/C
425' to 2900'	Brine Water	9.70 - 10.20	30-32	N/C
2900' to 10118'	FW/Cut Brine	8.70 - 9.20	30-32	N/C
10118' to 14609'	Oil Based Mud	11.00 - 11.50	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

Logging, Coring and Testing	
X	Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	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	4761 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	H ₂ S is present
X	H ₂ S plan is attached

8. Other Facets of Operation

Drilling 12-1/4" hole
below 13 3/8" Casing

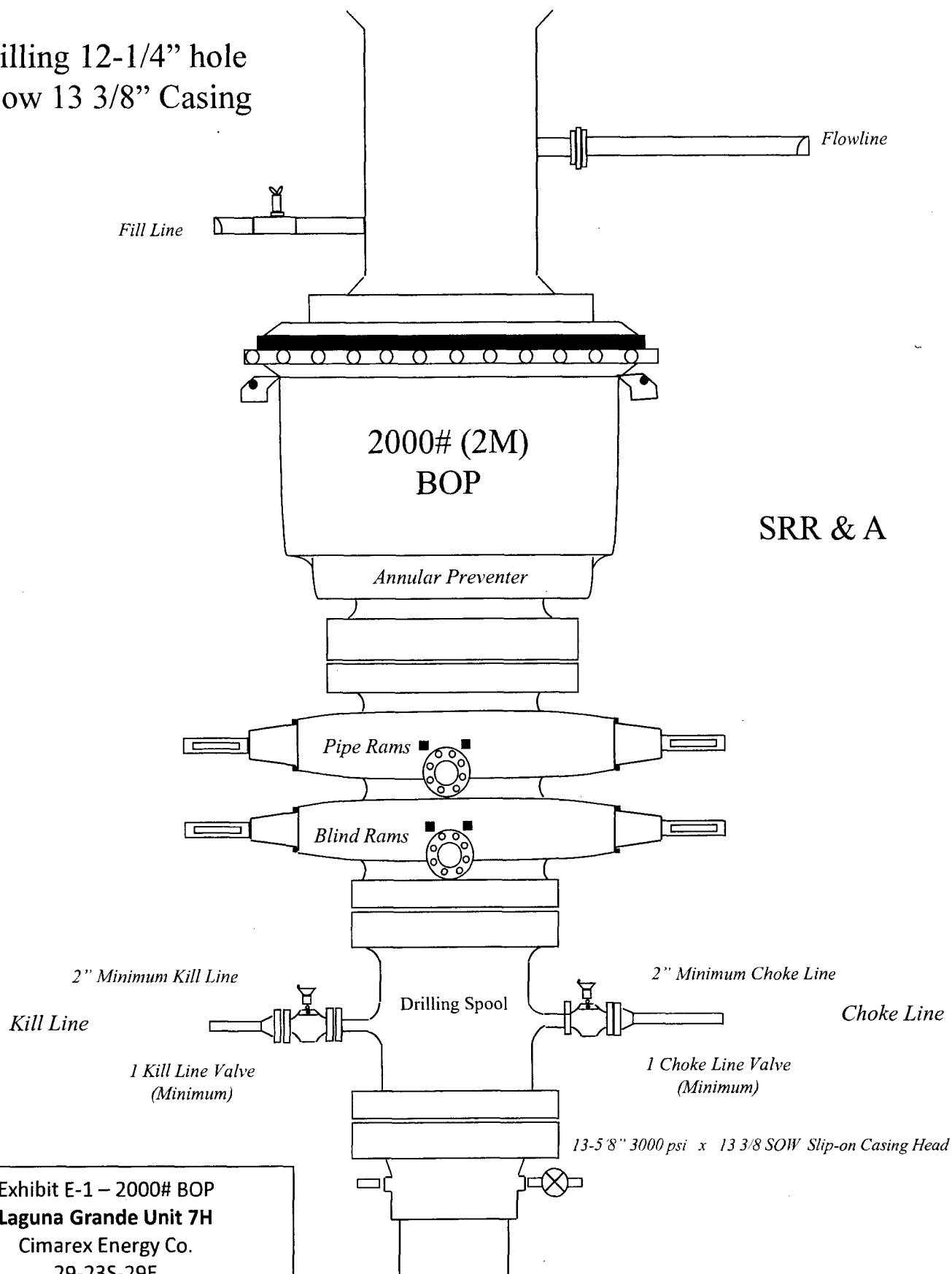
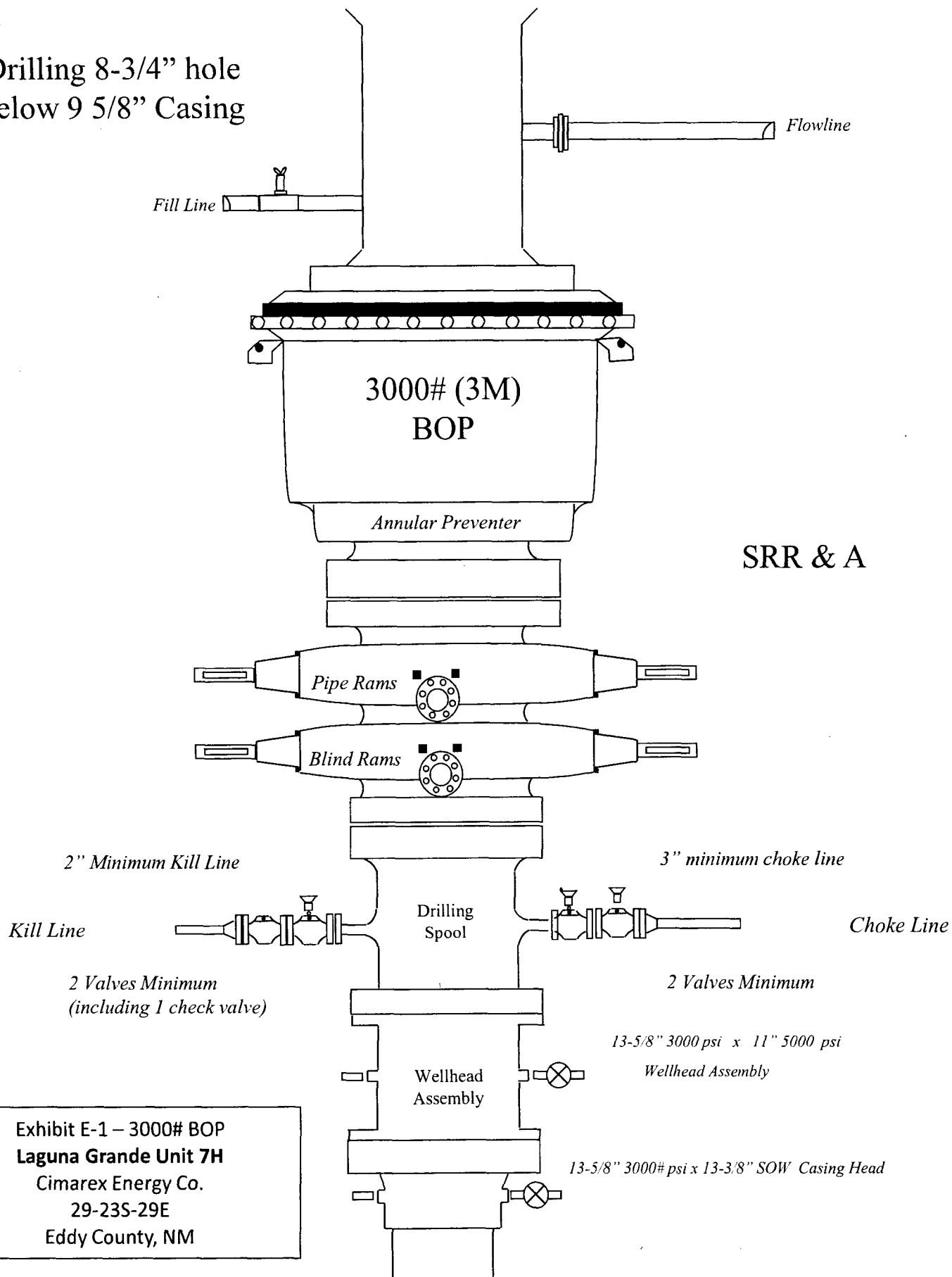


Exhibit E-1 – 2000# BOP
Laguna Grande Unit 7H
Cimarex Energy Co.
29-23S-29E
Eddy County, NM

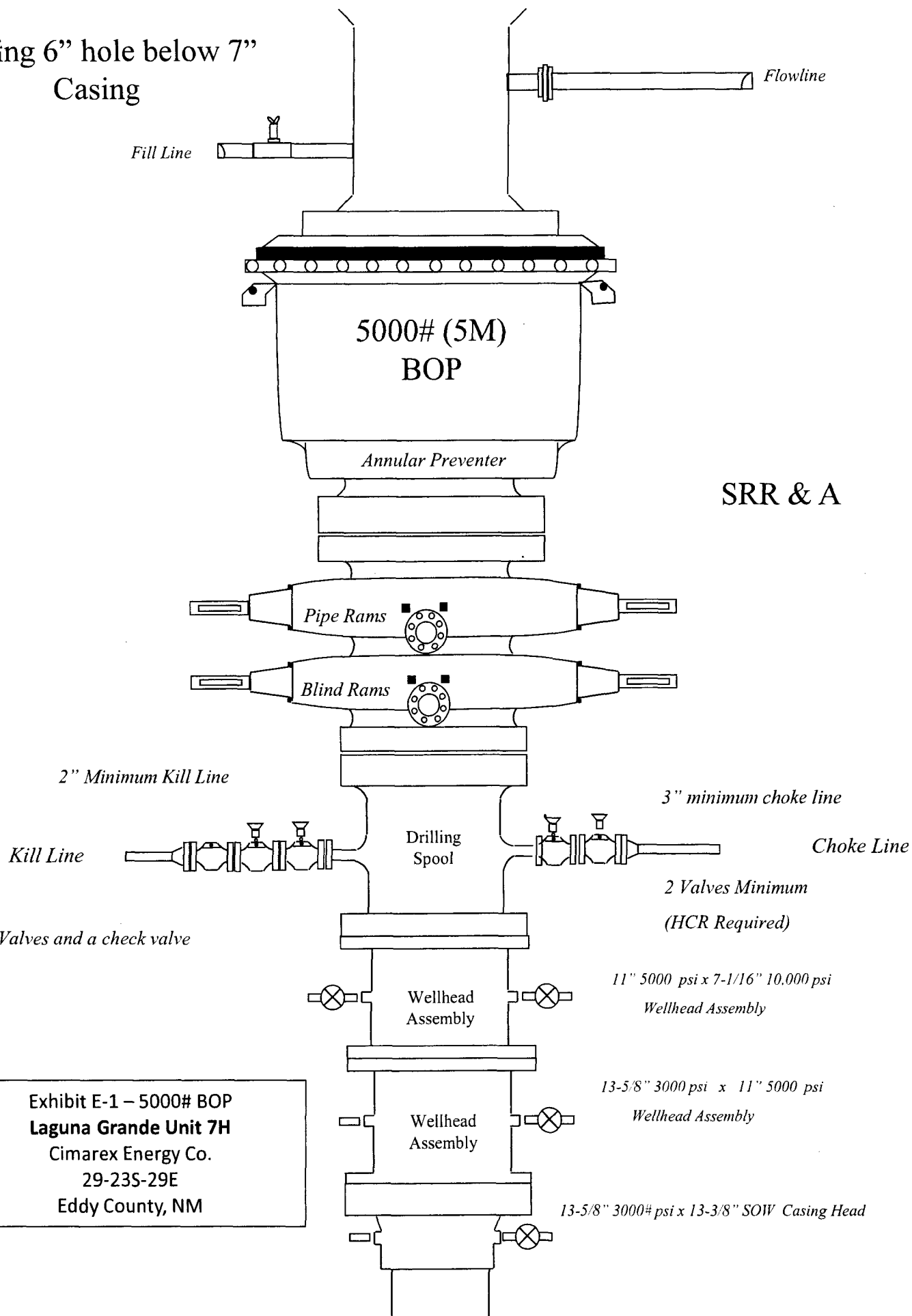
Drilling 8-3/4" hole
below 9 5/8" Casing



SRR & A

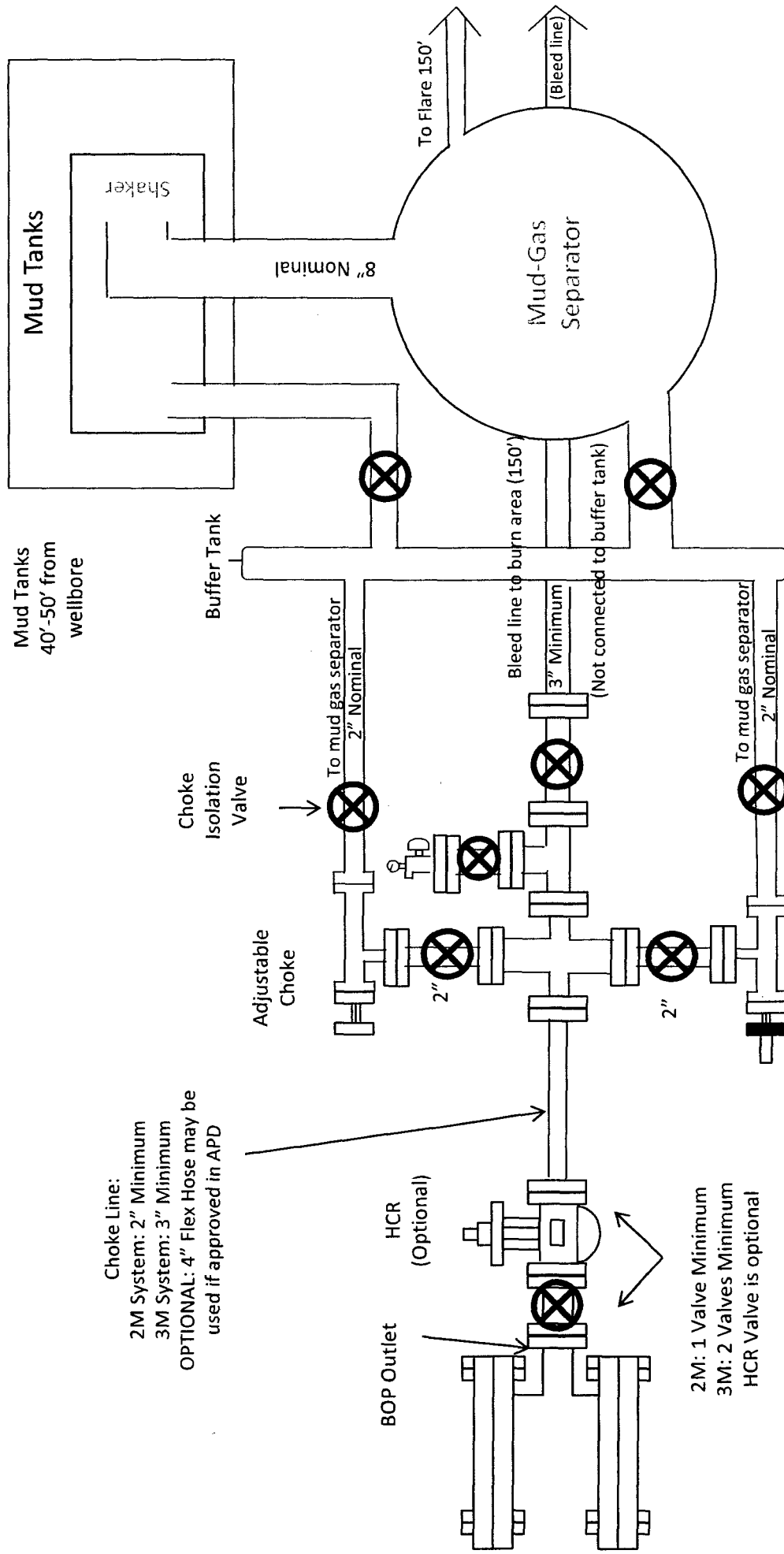
Exhibit E-1 – 3000# BOP
Laguna Grande Unit 7H
Cimarex Energy Co.
29-23S-29E
Eddy County, NM

Drilling 6" hole below 7"
Casing



SRR & A

Exhibit E-1 – 5000# BOP
Laguna Grande Unit 7H
Cimarex Energy Co.
29-23S-29E
Eddy County, NM



Drilling Operations
Choke Manifold
2M/3M Service

Exhibit E-1 – Choke Manifold Diagram
Laguna Grande Unit 7H
 Cimarex Energy Co.
 29-23S-29E
 Eddy County, NM

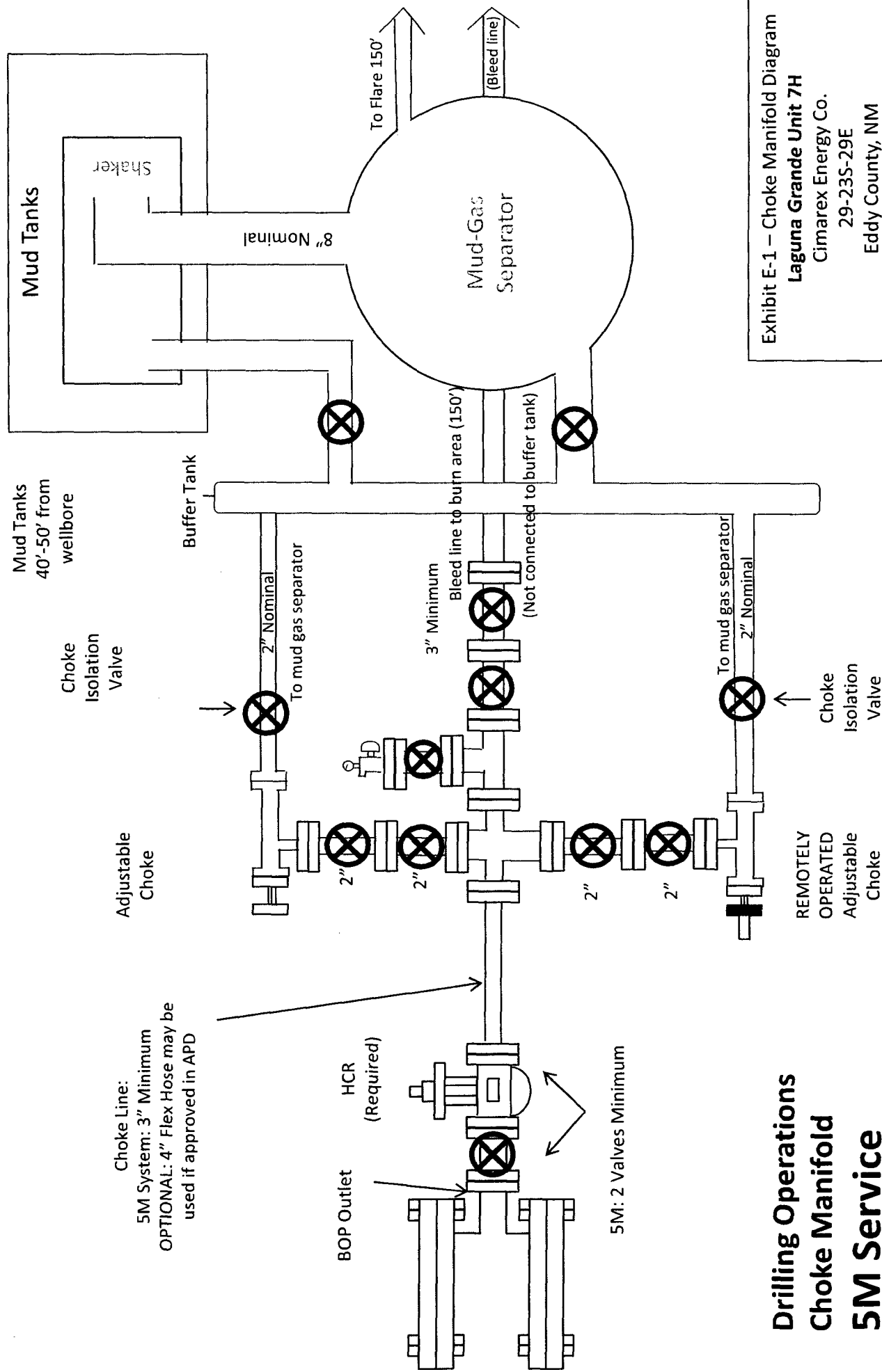
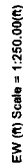


Exhibit E-1 – Choke Manifold Diagram
Laguna Grande Unit 7H
 Cimarex Energy Co.
 29-235-29E
 Eddy County, NM

Structure:

Vertical Section (ft) Az/m = 181.97° Scale = 1:300.00(ft) Origin = 0N/-S, 0E/-W



Cimarex Laguna Grande 29 Federal #7H Rev1 OPB 13-Jan-17 Proposal

Report
(Non-Def Plan)

Report Date:

January 13, 2017 - 01:59 PM

Client:

Cimarex

Field:

NM Eddy County (NAD 83)

Structure / Slot:

Cimarex Laguna Grande 29 Federal #7H / Cimarex Laguna Grande 29 Federal #7H

Well:

Cimarex Laguna Grande 29 Federal #7H

Borehole:

Original Borehole

UWI / API#:

Unknown / Unknown

Survey Name:

Cimarex Laguna Grande 29 Federal #7H Rev1 OPB 13-Jan-17

Survey Date:

November 15, 2013

Tort / AHD / DDI / ERD Ratio:

98.500 ° / 4838.531 ft / 5.841 / 0.482

Coordinate Reference System:

NAD83 New Mexico State Plane, Eastern Zone, US Feet

Location Lat / Long:

N 32° 16' 57.76892", W 104° 0' 13.75523"

Location Grid N/E Y/X:

N 466740.400 ftUS, E 643168.000 ftUS

CRS Grid Convergence Angle:

0.1760 °

Grid Scale Factor:

0.99992097

Version / Patch:

2.10.254.0

Survey / DLS Computation:

Minimum Curvature / Lubinski

Vertical Section Azimuth:

181.967 ° (Grid North)

Vertical Section Origin:

0.000 ft, 0.000 ft

TVD Reference Datum:

RKB

TVD Reference Elevation:

3032.000 ft above MSL

Seabed / Ground Elevation:

3007.000 ft above MSL

Magnetic Declination:

7.272 °

Total Gravity Field Strength:

998.7159mgn (9.80665 Based)

Gravity Model:

DOX

Total Magnetic Field Strength:

48184.705 nT

Magnetic Dip Angle:

60.141 °

Declination Date:

January 13, 2017

Magnetic Declination Model:

HDGM 2016

North Reference:

Grid North

Grid Convergence Used:

0.1760 °

Total Corr Mag North->Grid

7.0963 °

North:

Structure Reference Point

Local Coord Referenced To:

Structure Reference Point

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 ° ' '')
SHL Cimarex												
Laguna Grande												
29 Federal #7H												
[1650' FEL, 180'												
FNL]												
	0.00	0.00	181.97	0.00	0.00	0.00	0.00	N/A	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	
	100.00	0.00	197.65	100.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	200.00	0.00	197.65	200.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	300.00	0.00	197.65	300.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	400.00	0.00	197.65	400.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	500.00	0.00	197.65	500.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	600.00	0.00	197.65	600.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	700.00	0.00	197.65	700.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	800.00	0.00	197.65	800.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	900.00	0.00	197.65	900.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1000.00	0.00	197.65	1000.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1100.00	0.00	197.65	1100.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1200.00	0.00	197.65	1200.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1300.00	0.00	197.65	1300.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1400.00	0.00	197.65	1400.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1500.00	0.00	197.65	1500.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1600.00	0.00	197.65	1600.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1700.00	0.00	197.65	1700.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1800.00	0.00	197.65	1800.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	1900.00	0.00	197.65	1900.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	2000.00	0.00	197.65	2000.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	2100.00	0.00	197.65	2100.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	2200.00	0.00	197.65	2200.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (RUS)	Easting (RUS)	Latitude (N/S °.′.″)	Longitude (E/W °.′.″)
KOP - Build 12"/100ft DLS	8200.00	0.00	197.65	8200.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8300.00	0.00	197.65	8300.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8400.00	0.00	197.65	8400.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8500.00	0.00	197.65	8500.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8600.00	0.00	197.65	8600.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8700.00	0.00	197.65	8700.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8800.00	0.00	197.65	8800.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	8900.00	0.00	197.65	8900.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9000.00	0.00	197.65	9000.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9100.00	0.00	197.65	9100.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9200.00	0.00	197.65	9200.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9300.00	0.00	197.65	9300.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9400.00	0.00	197.65	9400.00	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9493.22	0.00	197.65	9493.22	0.00	0.00	0.00	0.00	466740.40	643168.00	N 32 16 57.77 W 104 0 13.76	0 13.76
	9500.00	0.81	197.65	9500.00	0.05	-0.05	-0.01	12.00	466740.35	643187.99	N 32 16 57.77 W 104 0 13.76	0 13.76
	9600.00	12.81	197.65	9599.11	11.45	-11.33	-3.61	12.00	466729.07	643184.40	N 32 16 57.66 W 104 0 13.80	0 13.80
	9700.00	24.81	197.65	9693.60	42.44	-42.01	-13.37	12.00	466698.40	643154.64	N 32 16 57.35 W 104 0 13.91	0 13.91
	9800.00	36.81	197.65	9779.32	91.67	-90.73	-28.87	12.00	466649.68	643139.13	N 32 16 56.87 W 104 0 14.09	0 14.09
	9900.00	48.81	197.65	9852.55	156.98	-155.37	-49.44	12.00	466585.04	643118.57	N 32 16 56.23 W 104 0 14.34	0 14.34
	10000.00	60.81	197.65	9910.06	235.52	-233.11	-74.17	12.00	466507.31	643093.83	N 32 16 55.46 W 104 0 14.63	0 14.63
	10100.00	72.81	197.65	9949.37	323.86	-320.55	-101.99	12.00	466419.88	643066.02	N 32 16 54.60 W 104 0 14.95	0 14.95
Build & Turn 4"/100ft DLS	10118.22	75.00	197.65	9954.42	340.71	-337.23	-107.30	12.00	466403.20	643060.71	N 32 16 54.44 W 104 0 15.02	0 15.02
	10200.00	77.07	195.04	9974.15	417.58	-413.38	-129.62	4.00	466327.06	643038.39	N 32 16 53.68 W 104 0 15.28	0 15.28
	10300.00	79.64	191.91	9994.33	513.54	-508.60	-152.43	4.00	466231.84	643015.58	N 32 16 52.74 W 104 0 15.55	0 15.55
	10400.00	82.24	188.83	10010.08	611.21	-605.72	-170.20	4.00	466134.73	642997.81	N 32 16 51.78 W 104 0 15.76	0 15.76
	10500.00	84.86	185.79	10021.31	710.12	-704.26	-182.84	4.00	466036.19	642985.17	N 32 16 50.81 W 104 0 15.91	0 15.91
	10600.00	87.50	182.78	10027.97	809.80	-803.74	-190.29	4.00	465936.72	642977.72	N 32 16 49.82 W 104 0 16.00	0 16.00
	10700.00	90.14	179.77	10030.02	909.75	-903.68	-192.52	4.00	465836.80	642975.50	N 32 16 48.83 W 104 0 16.03	0 16.03
	10705.73	90.29	179.60	10030.00	915.48	-909.41	-192.48	4.00	465831.07	642975.53	N 32 16 48.78 W 104 0 16.03	0 16.03
	10800.00	90.29	179.60	10029.52	1009.67	-1003.67	-191.83	0.00	465736.81	642976.19	N 32 16 47.84 W 104 0 16.03	0 16.03
	10900.00	90.29	179.60	10029.01	1109.58	-1103.67	-191.13	0.00	465636.82	642976.88	N 32 16 46.85 W 104 0 16.02	0 16.02
	11000.00	90.29	179.60	10028.49	1209.49	-1203.66	-190.44	0.00	465536.83	642977.58	N 32 16 45.86 W 104 0 16.02	0 16.02
	11100.00	90.29	179.60	10027.98	1309.41	-1303.66	-189.74	0.00	465436.84	642978.28	N 32 16 44.87 W 104 0 16.01	0 16.01
	11200.00	90.29	179.60	10027.47	1409.32	-1403.66	-189.04	0.00	465336.86	642978.97	N 32 16 43.89 W 104 0 16.01	0 16.01
	11300.00	90.29	179.60	10026.96	1509.23	-1503.65	-188.35	0.00	465236.87	642979.67	N 32 16 42.90 W 104 0 16.00	0 16.00
	11400.00	90.29	179.60	10026.45	1609.15	-1603.65	-187.65	0.00	465136.88	642980.36	N 32 16 41.91 W 104 0 16.00	0 16.00
	11500.00	90.29	179.60	10025.93	1709.06	-1703.65	-186.96	0.00	465036.89	642981.06	N 32 16 40.92 W 104 0 15.99	0 15.99
	11600.00	90.29	179.60	10025.42	1808.97	-1803.64	-186.26	0.00	464936.90	642981.75	N 32 16 39.93 W 104 0 15.99	0 15.99
	11700.00	90.29	179.60	10024.91	1908.89	-1903.64	-185.56	0.00	464836.92	642982.45	N 32 16 38.94 W 104 0 15.98	0 15.98
	11800.00	90.29	179.60	10024.40	2008.80	-2003.63	-184.87	0.00	464736.93	642983.15	N 32 16 37.95 W 104 0 15.98	0 15.98
	11900.00	90.29	179.60	10023.88	2108.71	-2103.63	-184.17	0.00	464636.94	642983.84	N 32 16 36.96 W 104 0 15.97	0 15.97
Landing Point	12000.00	90.29	179.60	10023.37	2208.63	-2203.63	-183.48	0.00	464536.95	642984.54	N 32 16 35.97 W 104 0 15.97	0 15.97
	12100.00	90.29	179.60	10022.86	2308.54	-2303.62	-182.78	0.00	464436.96	642985.23	N 32 16 34.98 W 104 0 15.97	0 15.97
	12200.00	90.29	179.60	10022.35	2408.45	-2403.62	-182.08	0.00	464336.97	642985.93	N 32 16 33.99 W 104 0 15.96	0 15.96
	12300.00	90.29	179.60	10021.83	2508.37	-2503.62	-181.39	0.00	464236.99	642986.63	N 32 16 33.00 W 104 0 15.96	0 15.96
	12400.00	90.29	179.60	10021.32	2608.28	-2603.61	-180.69	0.00	464137.00	642987.32	N 32 16 32.01 W 104 0 15.95	0 15.95
	12500.00	90.29	179.60	10020.81	2708.19	-2703.61	-180.00	0.00	464037.01	642988.02	N 32 16 31.02 W 104 0 15.95	0 15.95
	12600.00	90.29	179.60	10020.30	2808.11	-2803.61	-179.30	0.00	463937.02	642988.71	N 32 16 30.03 W 104 0 15.94	0 15.94
	12700.00	90.29	179.60	10019.78	2908.02	-2903.60	-178.60	0.00	463837.03	642989.41	N 32 16 29.04 W 104 0 15.94	0 15.94
	12800.00	90.29	179.60	10019.27	3007.93	-3003.60	-177.91	0.00	463737.05	642990.11	N 32 16 28.05 W 104 0 15.93	0 15.93
	12900.00	90.29	179.60	10018.76	3107.85	-3103.59	-177.21	0.00	463637.06	642990.80	N 32 16 27.06 W 104 0 15.93	0 15.93
	13000.00	90.29	179.60	10018.25	3207.76	-3203.59	-176.52	0.00	463537.07	642991.50	N 32 16 26.07 W 104 0 15.93	0 15.93
	13100.00	90.29	179.60	10017.73	3307.67	-3303.59	-175.82	0.00	463437.08	642992.19	N 32 16 25.09 W 104 0 15.92	0 15.92
	13200.00	90.29	179.60	10017.22	3407.59	-3403.58	-175.12	0.00	463337.09	642992.89	N 32 16 24.10 W 104 0 15.92	0 15.92
	13300.00	90.29	179.60	10016.71	3507.50	-3503.58	-174.43	0.00	463237.11	642993.59	N 32 16 23.11 W 104 0 15.91	0 15.91
	13400.00	90.29	179.60	10016.20	3607.42	-3603.58	-173.73	0.00	463137.12	642994.28	N 32 16 22.12 W 104 0 15.91	0 15.91
	13500.00	90.29	179.60	10015.69	3707.33	-3703.57	-173.04	0.00	463037.13	642994.98	N 32 16 21.13 W 104 0 15.90	0 15.90

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northings (ftUS)	Easting (ftUS)	Latitude (N/S ° ' '')	Longitude (E/W ° ' '')
	13600.00	90.29	179.60	10015.17	3807.24	-3803.57	-172.34	0.00	462937.14	642995.67	N 32 16 20.14 W 104	0 15.90
	13700.00	90.29	179.60	10014.66	3907.16	-3903.56	-171.64	0.00	462837.15	642896.37	N 32 16 19.15 W 104	0 15.89
	13800.00	90.29	179.60	10014.15	4007.07	-4003.56	-170.95	0.00	462737.16	642897.07	N 32 16 18.16 W 104	0 15.89
	13900.00	90.29	179.60	10013.64	4106.98	-4103.56	-170.25	0.00	462637.18	642897.76	N 32 16 17.17 W 104	0 15.88
	14000.00	90.29	179.60	10013.12	4206.90	-4203.55	-169.56	0.00	462537.19	642898.46	N 32 16 16.18 W 104	0 15.88
	14100.00	90.29	179.60	10012.61	4306.81	-4303.55	-168.86	0.00	462437.20	642899.15	N 32 16 15.19 W 104	0 15.88
	14200.00	90.29	179.60	10012.10	4406.72	-4403.55	-168.16	0.00	462337.21	642899.85	N 32 16 14.20 W 104	0 15.87
	14300.00	90.29	179.60	10011.59	4506.64	-4503.54	-167.47	0.00	462237.22	643000.55	N 32 16 13.21 W 104	0 15.87
	14400.00	90.29	179.60	10011.07	4606.55	-4603.54	-166.77	0.00	462137.24	643001.24	N 32 16 12.22 W 104	0 15.86
	14500.00	90.29	179.60	10010.56	4706.46	-4703.53	-166.08	0.00	462037.25	643001.94	N 32 16 11.23 W 104	0 15.86
	14600.00	90.29	179.60	10010.05	4806.38	-4803.53	-165.38	0.00	461937.26	643002.63	N 32 16 10.24 W 104	0 15.85
Cimarex Laguna Grande 29												
Federal #7H PBHL [1850' FSL, 330' FEL]	14609.56	90.29	179.60	10010.00	4815.93	-4813.09	-165.31	0.00	461927.70	643002.70	N 32 16 10.15 W 104	0 15.85

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 (in)	Casing Diameter (in)	Expected Max Inclination (deg)	Survey Tool Type	Borehole / Survey
	1	0.000	25.000	1/100.000	30.000	30.000		NAL_MWD_PLUS_0.5_DEG-Depth Only	Original Borehole / Cimarex Laguna Grande 29 Federal #7H
	1	25.000	14609.560	1/100.000	30.000	30.000		NAL_MWD_PLUS_0.5_DEG	Rev1 OPB 13-Jan-17 Original Borehole / Cimarex Laguna Grande 29 Federal #7H

Cimarex Laguna Grande 29 Federal #7H Rev1 OPB 13-Jan-17 Anti-Collision Detailed Report

Analysis Method: 3D Least Distance
Depth Interval: Every 10.00 (ft) Measured Depth
Step-down Trajectory: Reference Trajectory
Analysis Date-24hr Time: February 22, 2017 - 14:38
Analysis Machine: SLB-1BCHK12
Database \ Project: US1153APP452 dir.slb.com/drilling-NM Eddy County 2 10

Distance Unit: ft
Azimuth Unit: deg
TC Azimuth Reference: North
North Reference: Grid
Client: Cimarex
Version / Patch: 2.10.254.0

NOTE: Measured Depth is referenced to individual borehole elevation.
TVD, NS, EW are referenced to the reference trajectory's wellhead location and borehole elevation.
A minimum of 0.300 m is always included for borehole diameters.

All local minima indicated.

Results highlighted: EOU-EOU separation <= 1.50 ft

Anti-Collision Rules Used

Rule Set Name

NAL Procedure: D&M Anti-Collision Standard S002

Rule Name

SLB Alert Zone Threshold OSF=5.0 S002 v5 1/5 2
SLB Minor Risk Threshold OSF=1.5 S002 v5 1/5 2
SLB Major Risk Threshold OSF=1.0 S002 v5 1/5 2
SLB Surface Rule S002 v5 1/5 2
SLB Alert Zone Threshold CICI=15m S002 v5 1/5 2

Risk Level

Alert
Minor
Major
Alert

Exemption Risk Level:

Minor

Rule Type

Ratio
Ratio
Ratio
CT_CT
CT_CT

Rule Label

OSF = 5.00
OSF = 1.50
OSF = 1.00
MAS = 32.81 (ft)
MAS = 49.21 (ft)

NoGo Rule

X

Packet was too large to print, but was received via email.

		Reference Trajectory Summary	
Field:	NM Eddy County (NAD 83)	Well:	Cimarex Laguna Grande 29 Federal #7H
Structure:	Cimarex Laguna Grande 29 Federal #7H	Borehole:	Original Borehole
Slot:	Cimarex Laguna Grande 29 Federal #7H	Trajectory:	Cimarex Laguna Grande 29 Federal #7H Rev1 OPB 13-Jan-17
Client:	Cimarex	Type:	Non-Def Plan
Coordinate System:	NAD83 New Mexico State Plane, Eastern Zone, US Feet		
North Reference:	Grid	Grid Convergence Angle:	0.175993111°
		Grid Scale Factor:	0.999920967
Magnetic Declination:	7.262°	Magnetic Declination Date:	February 22, 2017
Reference Point:		Magnetic Model:	HDGM 2016
Northing	Easting	Elevation	Structure Unc.
466740.400 (ftUS)	843168.000 (ftUS)	3032.000 (ft) MSL	0.000 (ft) (3 sigma)
			Slot Unc.
			0.000 (ft) (3 sigma)

Trajectory Error Model: ISCWSA0 3-D 95.000% Confidence 2.7965 sigma

Surveying Prog: While Drilling

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Survey Tool Type	Hole Size (in)	Casing Diameter (in)	Borehole / Survey
	1	0.000	25.000	1/100.000	NAL_MWD_PLUS_0.5_DEG-Depth Only	30.000	30.000	30.000" a Grande 29 Federal #7H Rev1 OPB 13-Jan-17
	1	25.000	14609.560	1/100.000	NAL_MWD_PLUS_0.5_DEG	30.000	30.000	30.000" a Grande 29 Federal #7H Rev1 OPB 13-Jan-17

Offset Trajectory Summary

Offset Selection Criteria:

Offset Selection Criteria: 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 Selection Summary

Wells Selected:7
 Boreholes Selected:1
 Definitive Surveys Selected:4
 Non-Def Surveys Selected:0
 Definitive Plans Selected:0
 Non-Def Plans Selected:3
 Total Trajectories:7
 OSF filter in detailed report: None

* Excluded: The trajectory was analyzed and fully passed all criteria so the detailed results have been excluded from this report for clarity

Trajectory	Borehole	Well	Type	Passing Excluded *
Cimarex Laguna Grande Unit 3 (Offset) Inc Only Off-13670ft	Original Borehole	Cimarex Laguna Grande Unit 3 (Offset)	Def Survey	
Cimarex Laguna Grande 29 Federal #8H Rev0 RM 27Dec16	Original Borehole	Cimarex Laguna Grande 29 Federal #8H	Non-Def Plan	
Cimarex Laguna Grande 29 Federal #6H Rev4 OPB 21-May-15	Original Borehole	Cimarex Laguna Grande 29 Federal #6H	Non-Def Plan	
Oxy Cypress 28 Federal 3H (Offset) MWD Off-10747ft	Original Borehole	Oxy Cypress 28 Federal 3H (Offset)	Def Survey	
Cimarex Laguna Grande Federal 4 (Offset) Inc Only Off-12335ft	Original Borehole	Cimarex Laguna Grande Federal 4 (Offset)	Def Survey	
Cimarex Laguna Grande 29 Federal #5H Rev0 RM 27Dec16	Original Borehole	Cimarex Laguna Grande 29 Federal #5H	Non-Def Plan	
Oxy Cypress 28 Federal 4H (Offset) MWD Off-10765ft	Original Borehole	Oxy Cypress 28 Federal 4H (Offset)	Def Survey	

Field: NM Eddy County (NAD 83)
 Structure: Cimarex Laguna Grande Unit 3 (Offset)
 Slot: Cimarex Laguna Grande Unit 3 (Offset)
 Client: Cimarex
 Coordinate System: NAD83 New Mexico State Plane, Eastern Zone, US Feet
 North Reference: Grid
 Grid Convergence Angle: 0.17540867°
 Grid Scale Factor: 0.999920895
 Magnetic Declination: 7.258°
 Reference Point: Magnetic Declination Date: February 22, 2017
 Magnetic Model: HDGM 2016
 Northing: 463915.830 (ftUS)
 Easting: 642860.254 (ftUS)
 Elevation: 3013.000 (ft) MSL
 Structure Unc: 0.000 (ft) (3 sigma)
 Slot Unc: 0.000 (ft) (3 sigma)

Trajectory Error Model: ISCWSA 3-D 95.000% Confidence 2.7955 sigma

Surveying Prog: As Drilled

Description	MD From (ft)	MD To (ft)	EOU Freq	Survey Tool Type	Hole Size (in)	Casing Diameter (in)	Borehole / Survey
	0.000	212.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	212.000	520.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	520.000	520.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	520.000	931.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	931.000	931.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	931.000	1330.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	1330.000	1330.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	1330.000	1712.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	1712.000	1712.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	1712.000	2120.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	2120.000	2120.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	2120.000	2420.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	2420.000	2800.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	2800.000	3299.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	3299.000	3299.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	3299.000	4300.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	4300.000	4300.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	4300.000	4792.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	4792.000	4792.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	4792.000	5291.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	5291.000	5291.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	5291.000	5790.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	5790.000	5790.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	5790.000	6419.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	6419.000	6419.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	6419.000	6909.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	6909.000	6909.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	6909.000	7414.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	7414.000	9010.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	9010.000	9430.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	9430.000	9430.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	9430.000	9917.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	9917.000	9917.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	9917.000	10387.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	10387.000	10387.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	10387.000	10730.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	10730.000	10730.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	10730.000	11330.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	11330.000	11330.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	11330.000	11730.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	11730.000	11730.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	11730.000	12170.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	12170.000	12415.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	12415.000	12775.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	12775.000	12830.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	12830.000	13340.000	1/98.425	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft
	13340.000	13670.000	Act-Stns	NAL_INC_ONLY	30.000	30.000	gunna Grande Unit 3 (Offset) Inc Only Off-13670ft

Reference MD (ft)	Reference TVD (ft)	Reference NS (ft)	Reference EW (ft)	Offset MD (ft)	Offset TVD (ft)	Offset NS (ft)	Offset EW (ft)	Traveling Cylinder North Azim (°)	Ct-Ct Distance (ft)	Minimum Allowable Separation (ft)	Allowable Deviation from Reference (ft)	EOU-EOU Clearance (ft)	OSF	Controlling Rule	Status
All local minima indicated.															
Results Highlighted: Ct-Ct separation <= 1.50 ft															
0.00	0.00	0.00	0.00	0.00	19.00	-2824.80	-307.77	186.22	2841.58	32.81	2808.77	2839.08		N/A AS = 10.00 (m)	Pass
10.00	10.00	0.00	0.00	0.00	19.00	-2824.80	-307.77	186.22	2841.53	32.81	2808.72	2839.02		493615.49 AS = 10.00 (m)	Pass
20.00	20.00	0.00	0.00	1.03	20.03	-2824.80	-307.77	186.22	2841.52	32.81	2808.71	2839.00		150480.96 AS = 10.00 (m)	Pass
30.00	30.00	0.00	0.00	11.36	30.36	-2824.80	-307.76	186.22	2841.52	32.81	2808.71	2838.81		13660.52 AS = 10.00 (m)	Pass
40.00	40.00	0.00	0.00	21.69	40.69	-2824.80	-307.75	186.22	2841.51	32.81	2808.70	2838.62		7140.54 AS = 10.00 (m)	Pass
50.00	50.00	0.00	0.00	32.01	51.01	-2824.80	-307.72	186.22	2841.51	32.81	2808.70	2838.42		4832.48 AS = 10.00 (m)	Pass
60.00	60.00	0.00	0.00	42.34	61.34	-2824.80	-307.68	186.22	2841.51	32.81	2808.70	2838.23		3651.87 AS = 10.00 (m)	Pass
70.00	70.00	0.00	0.00	52.66	71.66	-2824.80	-307.63	186.22	2841.50	32.81	2808.69	2838.03		2334.82 AS = 10.00 (m)	Pass
80.00	80.00	0.00	0.00	62.99	81.99	-2824.80	-307.57	186.21	2841.49	32.81	2808.69	2837.84		2453.12 AS = 10.00 (m)	Pass

90.00	90.00	0.00	0.00	73.32	92.31	-2824.80	-307.49	186.21	2841.49	32.81	2808.68	2837.64	2107.25 AS = 10.00 (m)	Pass
100.00	100.00	0.00	0.00	83.64	102.64	-2824.80	-307.41	186.21	2841.48	32.81	2808.67	2837.44	1846.86 AS = 10.00 (m)	Pass
110.00	110.00	0.00	0.00	92.02	111.01	-2824.80	-307.34	186.21	2841.47	32.81	2808.66	2837.16	1566.16 AS = 10.00 (m)	Pass
120.00	120.00	0.00	0.00	100.10	119.09	-2824.81	-307.28	186.21	2841.47	32.81	2808.65	2836.87	1351.33 AS = 10.00 (m)	Pass
130.00	130.00	0.00	0.00	108.17	127.17	-2824.82	-307.22	186.21	2841.48	32.81	2808.67	2836.59	1188.30 AS = 10.00 (m)	Pass
140.00	140.00	0.00	0.00	116.25	135.25	-2824.84	-307.16	186.21	2841.49	32.81	2808.68	2836.31	1060.37 AS = 10.00 (m)	Pass
150.00	150.00	0.00	0.00	124.33	143.33	-2824.86	-307.12	186.20	2841.51	32.81	2808.70	2836.05	957.30 AS = 10.00 (m)	Pass
160.00	160.00	0.00	0.00	132.41	151.41	-2824.88	-307.07	186.20	2841.54	32.81	2808.73	2835.78	872.49 AS = 10.00 (m)	Pass
170.00	170.00	0.00	0.00	140.49	159.49	-2824.92	-307.03	186.20	2841.57	32.81	2808.76	2835.53	801.48 AS = 10.00 (m)	Pass
180.00	180.00	0.00	0.00	148.57	167.57	-2824.95	-307.00	186.20	2841.61	32.81	2808.80	2835.28	741.17 AS = 10.00 (m)	Pass
190.00	190.00	0.00	0.00	156.65	175.65	-2824.99	-306.97	186.20	2841.66	32.81	2808.85	2835.04	689.30 AS = 10.00 (m)	Pass
200.00	200.00	0.00	0.00	164.73	183.73	-2825.04	-306.95	186.20	2841.71	32.81	2808.90	2834.81	644.21 AS = 10.00 (m)	Pass
210.00	210.00	0.00	0.00	172.81	191.81	-2825.09	-306.93	186.20	2841.77	32.81	2808.97	2834.58	604.67 AS = 10.00 (m)	Pass

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Cimarex Energy Co.
LEASE NO.:	NMNM-19848
WELL NAME & NO.:	Laguna Grande 29 Federal 7H
SURFACE HOLE FOOTAGE:	0180' FNL & 1650' FEL
BOTTOM HOLE FOOTAGE:	0330' FSL & 1850' FEL
LOCATION:	Section 29, T. 23 S., R 29 E., NMPM
COUNTY:	Eddy County, New Mexico
API:	30-015-42739

The original COAs still stand with the following drilling modifications:

I. DRILLING

A. DRILLING OPERATIONS 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

1. **Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, report measured amounts and formations to the BLM.**
2. 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. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. 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 is located, this does not include the dog house or stairway area.

4. 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.

B. CASING

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.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) for Water Basin:

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 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

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.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Medium Cave/Karst

Possibility of water flows in the Salado and Delaware.

Possibility of lost circulation in the Delaware.

1. The **13-3/8** inch surface casing shall be set at approximately **175** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. **If salt is encountered, set casing at least 25 feet above the salt.**
 - 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.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - 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.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing, which shall be set at approximately **2900** 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.**

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

If 75% or greater lost circulation occurs while drilling the intermediate casing hole, the cement on the production casing must come to surface.

Centralizers approved as written.

3. The minimum required fill of cement behind the **7** inch production casing is:

☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. **Excess calculates to 22% - Additional cement may be required.**

Formation below the 7" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe and the mud weight for the bottom of the hole. Report results to BLM office.

4. The minimum required fill of cement behind the 4-1/2 inch production Liner is:

- ☒ Cement as proposed by operator. Operator shall provide method of verification. **Excess calculates to negative 7% - Additional cement will be required.**

5. 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.

C. 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. Variance approved to use flex line from BOP to choke manifold. 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.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
3. 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.**
 - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.

4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** intermediate casing shoe shall be **5000 (5M) psi. 5M 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.**
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 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. 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 (18 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).
 - c. 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.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. 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.**
 - f. 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.

- g. 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.

D. 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.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

F. 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.

JAM 022717