

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**HOBBS OCD**

**FEB 15 2018**

**RECEIVED**

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

5. Lease Serial No.  
NNNM85939

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
COLIBRI FEDERAL 27H

9. APD Well No.  
30-025-42184-00-X1

10. Field and Pool or Exploratory Area  
DIAMONDTAIL

11. County or Parish, State  
LEA COUNTY, NM

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
CIMAREX ENERGY COMPANY OF CO  
Contact: GRACE CHARBONEAU  
E-Mail: GRACE@STRATANM.COM

3a. Address  
202 S CHEYENNE AVE. SUITE 1000  
TULSA, OK 74103

3b. Phone No. (include area code)  
Ph: 575-622-1127 Ext: 20  
Fx: 575-623-3533

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 10 T23S R32E NENE 0170FNL 0865FEL  
32.193348 N Lat, 103.656781 W Lon

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

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

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 recomplate 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 recompletion 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.

his is notification that Strata Production Company is taking over the the approved ADP dated October 8, 2014. Extended to October 8, 2018.

Strata Production Company, as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on this lease, or portion of lease described.

Bond Coverage: BLM Bond File No. BO1392

Change of Operator Effective: 8/20/2015

Former Operator: Cimarex Energy Co. (215099)

**OCD Hobbs**

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

**Electronic Submission #364632 verified by the BLM Well Information System  
For CIMAREX ENERGY COMPANY OF CO, sent to the Hobbs  
Committed to AFMSS for processing by PRISCILLA PEREZ on 02/06/2017 (17PP0211SE)**

Name (Printed/Typed) PAUL RAGSDALE Title OPERATIONS MANAGER

Signature (Electronic Submission) Date 01/23/2017

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By ZOTA STEVENS Title PETROLEUM ENGINEER Date 02/02/2018

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

Office Hobbs

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

(Instructions on page 2)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

*KSD*

**District I**  
1626 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-9181 Fax:(575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-8720

**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-8178 Fax:(505) 334-8170

**District IV**  
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**  
**Change of Operator**

Form C-145  
August 1, 2011  
Permit 200692

**Previous Operator Information****New Operator Information**

OGRID:	<u>215099</u>	Effective Date:	<u>Effective on the date of approval by the OCD</u>
Name:	<u>CIMAREX ENERGY CO.</u>	OGRID:	<u>21712</u>
Address:	<u>800 N MARIENFELD STREET</u> <u>SUITE 600</u>	Name:	<u>STRATA PRODUCTION CO</u>
City, State, Zip:	<u>MIDLAND, TX 79701</u>	Address:	<u>PO BOX 1030</u>
		City, State, Zip:	<u>ROSWELL, NM 882021030</u>

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, STRATA PRODUCTION CO certifies that it has read and understands the following synopsis of applicable rules.

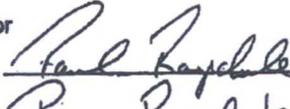
PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(j) NMAC.

STRATA PRODUCTION CO understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, STRATA PRODUCTION CO agrees to the following statements:

1. I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See 19.15.9.9.B NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See 19.15.9.9.C(2) NMAC.
3. I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See 19.15.7.24.C NMAC.
4. I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed on approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance, even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See 19.15.8.9.C NMAC. I understand that I can check my compliance with the single-well financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. I am responsible for reporting releases as defined by 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record.
7. I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits. See 19.15.26.8 NMAC.
8. For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.16 NMAC.
9. I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See 19.15.8.8.C NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See 19.15.9.9.B NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.

<b>Previous Operator</b>		<b>New Operator</b>	
Signature: <u></u>		Signature: <u></u>	
Printed Name: <u>Terri Stathem</u>		Printed Name: <u>Paul Raydale</u>	
Title: <u>Manager Regulatory</u>		Title: <u>Operations Manager</u>	
Date: <u>8-17-15</u> Phone: <u>432-6201936</u>		Date: <u>8-17-15</u> Phone: <u>575-622-1127</u>	

**District I**  
 1825 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 963-6161 Fax:(575) 963-0720  
**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1263 Fax:(575) 748-0720  
**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 934-6176 Fax:(505) 934-6170  
**District IV**  
 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**

Wells Selected for Transfer

Permit 200602  
 Permit Status: DRAFT

**Wells Selected for Transfer**

From:	CIMAREX ENERGY CO.	OGRID:	215099
To:	STRATA PRODUCTION CO	OGRID:	21712

**OCD District Hobbs**

Property	Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name	Leak Prod/mj	Additional Bonding
313792	COLIBRI FEDERAL #020H	F	D-10-238-32E	D	30-025-42180	O	17844	DIAMONDTAIL;BONE SPRING		0
	COLIBRI FEDERAL #023H	F	B-10-238-32E	B	30-025-42181	O	17844	DIAMONDTAIL;BONE SPRING		0
	COLIBRI FEDERAL #026H	F	C-10-238-32E	C	30-025-42182	O	17844	DIAMONDTAIL;BONE SPRING		0
	COLIBRI FEDERAL #028H	F	A-10-238-32E	A	30-025-42183	D	17844	DIAMONDTAIL;BONE SPRING		0
	COLIBRI FEDERAL #027H	F	A-10-238-32E	A	30-025-42184	O	17844	DIAMONDTAIL;BONE SPRING		0
	COLIBRI FEDERAL #024H	F	C-10-238-32E	C	30-025-42220	O	17844	DIAMONDTAIL;BONE SPRING		0

**OCD District Artesia**

Property	Well	Lease Type	ULSTR	OCD Unit	API	Well Type	Pool ID	Pool Name	Leak Prod/mj	Additional Bonding
314857	LEE FEDERAL #021H	F	I-25-208-28E	I	30-016-43137	O	3713	AVALON;BONE SPRING, EAST		0
	LEE FEDERAL #022	F	H-25-208-28E	H	30-016-43142	O	3713	AVALON;BONE SPRING, EAST		0
314868	LEE FEDERAL COM #023H	F	A-25-208-28E	A	30-016-43161	O	3713	AVALON;BONE SPRING, EAST		0

<b>Total Additional bond</b>	<b>8</b>
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**NMOCD Approval**  
 Electronic Signature: Paul Kautz, District 1  
 Date: August 20, 2015

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

Comments  
 Permit 208692

**CHANGEOP COMMENTS**

Operator: CIMAREX ENERGY CO. 600 N MARIENFELD STREET MIDLAND, TX 79701	OGRID:	215099
	Permit Number:	208692
	Permit Type:	ChangeOp

**Comments**

Created By	Comment	Comment Date
There are no Comments for this Permit		