

RECEIVED: 9/10/247	REVIEWER: MAM	TYPE: DHL	APP NO: PMA 172-444831
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NEW MEXICO OIL CONSERVATION DIVISION
- Geological & Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Cimarex Energy Co. Of Colorado

OGRID Number: 162683

Well Name: New Mexico DD State Com #3

API: 30-015-33985

Pool: White City; Penn (Gas), Purple Sage, Wolfcamp (Gas)

Pool Code: 87280, 98220

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

A. ☐ Offset operators or lease holders

B. ☐ Royalty, overriding royalty owners, revenue owners

C. ☐ Application requires published notice

D. ☐ Notification and/or concurrent approval by SLO

E. ☐ Notification and/or concurrent approval by BLM

F. ☐ Surface owner

G. ☐ For all of the above, proof of notification or publication is attached, and/or,

H. ☒ No notice required

FOR OCD ONLY

☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Amitby Crawford

Print or Type Name

Signature

8/30/2017

Date

432-620-1909

Phone Number

acrawford@cimarex.com

e-mail Address

2017 SEP - 1 P 2:36

RECEIVED OCD

DHL-4819

Cimarex Energy Co.
202 S. Cheyenne Ave.
Suite 1000
Tulsa, Oklahoma 74103-4346
PHONE: 918.585.1100
FAX: 918.585.1133



Michael McMillian
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: New Mexico DD State Com 3
API 30-015-33985
Section 32, Township 24 South, Range 26 East, N.M.P.M.
Eddy County, New Mexico.

Dear Mr. McMillian:

The New Mexico DD State Com 3 well is located in the NW/4 of Sec. 32-24S-26E, Eddy County NM.

Cimarex is the operator of the NW/4 of Sec. 32, 24S, 26E, Eddy County, NM as to all depths from the surface of the Earth down to 11,384'. Ownership within these depths in the NW/4 are identical.

Sincerely,

A handwritten signature in cursive script that reads "Caitlin Pierce".

Caitlin Pierce
Production Landman
cpierce@cimarex.com
Direct: 432-571-7862

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 293-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 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) 476-3450 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

¹ API Number 30-015-33985		² Pool Code 87280		³ Pool Name White City (Penn) Gas	
⁴ Property Code		⁵ Property Name NM DD State Com			⁶ Well Number 3
⁷ OGRID No. 162683		⁸ Operator Name Cimarex Energy Co of Colorado			⁹ Elevation 3398'

¹⁰ Surface Location

UL or lot no. D	Section 32	Township 24S	Range 26E	Lot Idn	Feet from the 295	North/South line North	Feet from the 750	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. D	Section 32	Township 24S	Range 26E	Lot Idn	Feet from the 994'	North/South line North	Feet from the 996'	East/West line East	County Eddy
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¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

	¹⁶ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
	Signature: <i>Amilthy Crawford</i> Date: 9/1/2017	
	Printed Name: Amilthy Crawford E-mail Address: acrawford@cimarex.com	
	¹⁷ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
Date of Survey: Signature and Seal of Professional Surveyor:		
Certificate Number:		

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
311 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
1230 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

¹ API Number 30-015-33985		² Pool Code 98220		³ Pool Name Purple Sage Wolfcamp Gas	
⁴ Property Code		⁵ Property Name NM DD State Com			⁶ Well Number 3
⁷ OGRID No. 162683		⁸ Operator Name Cimarex Energy Co of Colorado			⁹ Elevation 3398'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	32	24S	26E		295'	North	750'	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	32	24S	26E		994'	North	996'	East	Eddy

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

	¹⁷ OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by this division.</i>	
		9/1/2017
	Annithy Crawford Printed Name acrawford@cimarex.com E-mail Address	
	¹⁸ SURVEYOR CERTIFICATION	
	<i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
	Date of Survey Signature and Seal of Professional Surveyor:	
	Certificate Number	

District I
1625 N. Pecos Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-107A
Revised June 10, 2003

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

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Cimarex Energy Co. of Colorado
Operator

600 N. Marienfeld St., Ste. 600, Midland, TX 79701
Address

NM DD State Com
Lease

003
Well No.

D-32-24S-26E
Unit Letter-Section-Township-Range

Eddy
County

OGRID No. 162683 Property Code API No. 30-015-33985 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	LOWER ZONE
Pool Name	Purple Sage Wolfcamp(Gas)	White City Penn Gas
Pool Code	98220	87280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	8397'-9676'	9710'-9941'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Within 150% of top perf	Within 150% of top perf
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Oil: 53.5° API Gas: 1142.4 BTU dry / 1122.6 BTU wet @ 14.73 psi	Oil: 51.8° API Gas: 1225.8 BTU dry / 1204.6 BTU wet @ 14.73 psi
Producing, Shut-In or New Zone	New Zone	New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: N/A Rates: 79 BOPD, 1981 MCFPD, 500 BWPD	Date: N/A Rates: 21 BOPD, 526 MCFPD, 133 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 79 Gas 79	Oil 21 Gas 21

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: DHC-3871-A

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Amithy Crawford TITLE Regulatory Analyst DATE 9/1/2017

TYPE OR PRINT NAME Amithy Crawford TELEPHONE NO. 432-620-1909

E-MAIL ADDRESS acrawford@cimarex.com

CIMAREX

proposed

KB - 23' above GL

Cimarex Energy Co. of Colorado

New Mexico DD State Com #3

SHL - 295' FNL & 750' FWL

BHL - 994' FNL & 996' FWL

Sec. 32, T-24-S, R-26-E, Eddy Co., NM

S. Runyan

08/18/17

13-3/8", 48# H-40 csg @ 218'
cmtd w/ 250 sx, 1" to surface w/ 400 sx

9-5/8", 40# J-55 csg @ 1680'
cmtd w/ 1775 sx, cmt circ

2-3/8" 4.7# L-80 Tbg

DV Tool @ 7313'
cmtd w/ 1590 sx, cmt circ

AS1X pkr @ 8,300'

Wolfcamp Perforation (8,397'-9,676')

Cisco Canyon Perforations (9,710'-9,941')

Morrow perms (10868' - 11284')

5-1/2" 17# P-110 @ 11734' cmtd w/ 930 sx, cmt circ
TD @ 11734'

CIBP @ 10,816 with 35' of CMT.
PBTD @ 10,781

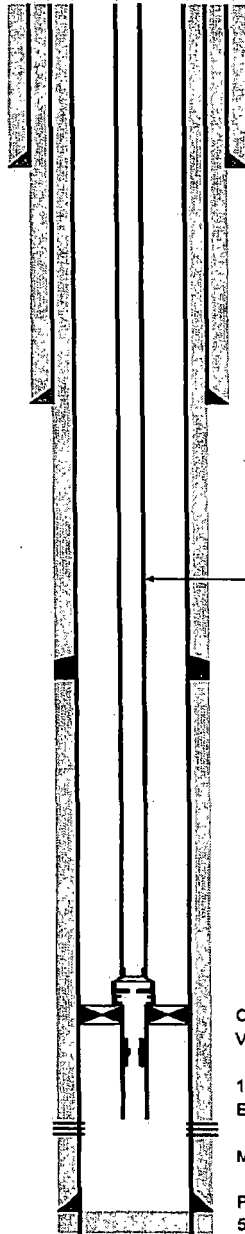
Current

CIMAREX

9/22/2015

KB - 23' above GL

Cimarex Energy Co. of Colorado
New Mexico DD State Com #3
SHL - 295' FNL & 750' FWL
BHL - 994' FNL & 996' FWL
Sec. 32, T-24-S, R-26-E, Eddy Co., NM
S. Gengler 01/31/2012



13-3/8", 48# H-40 csg @ 218'
cmtd w/ 250 sx, 1" to surface w/ 400 sx

9-5/8", 40# J-55 csg @ 1680'
cmtd w/ 1775 sx, cmt circ

335 jts 2-3/8" 4.7# L-80 Tbg

DV Tool @ 7313'
cmtd w/ 1590 sx, cmt circ

On-off Tool w/ 1.875" X Profile nipple @ 10832'
Versa Set pkr @ 10837'

1.875" XN Profile Nipple @ 10844'
End of tbg @ 10845'

Morrow perms (10868' - 11284')

PBTD @ 11626'
5-1/2" 17# P-110 @ 11734' cmtd w/ 930 sx, cmt circ
TD @ 11734'



CONFIDENTIAL August 17, 2017

Production Operations – Carlsbad Region, Permian Basin
New Mexico DD State Com #3 - Cisco Canyon and Wolfcamp
(Ciscamp) Proposed Commingling Allocation Factors, Eddy County, NM

Objective

Cimarex is seeking approval from the U.S. Bureau of Land Management (BLM) of its proposed *commingling permit* application and the *allocation factors* for the Cisco Canyon and Wolfcamp formations in the recompletion of the **New Mexico DD State Com #3** well (API: 30-015-33985).

The proposed “allocation factors” have been estimated following BLM’s approved allocation methodology in the *2016 Downhole Commingling Field Study “Cisco Canyon and Wolfcamp (Ciscamp) Commingled Allocation Assessment in White City, Eddy County, NM”* (NMP0220), approved by BLM on July 6, 2016 (**Appendix A**). Based on this approach and the assessment of subsurface data, the recommended initial allocation factors are 84% for the Wolfcamp and 16% for the Cisco Canyon.

The support evidence for this application includes petrophysical assessment and recoverable reserves estimation for each proposed formation (Table 1) and a log section (**Appendix B**).

Proposed Recompletion

Cimarex plans to recomplete the **New Mexico DD State Com #3** well to the Cisco Canyon and the Wolfcamp formations. This well is located within the BLM approved White City Ciscamp Field Study Area (see Exhibit 6A of the above referenced Field Study) and is currently completed in the Morrow formation. The well has produced 1.7 BCF of gas and has no remaining gas reserves. The company plans to abandon the Morrow zone under a cast-iron bridge plug with cement on top.

The proposed Ciscamp recompletion will be performed with a *multi-stage frac job*. The plan is to commingle Wolfcamp and Cisco Canyon streams downhole immediately after completion to allow faster flowback recovery and more efficient artificial lift. The synergy between both streams has shown to significantly improve liquid unloading in analog wells by maintaining higher and more stable critical gas velocities for a longer period. This in turn minimizes formation damage and increases reserves recovery by extending the life of the well.

A proposed recompletion and workover procedure is included in **Appendix C**.



CONFIDENTIAL. August 17, 2017

Production Operations – Carlsbad Region, Permian Basin
New Mexico DD State Com #3 - Cisco Canyon and Wolfcamp
(Cisco Canyon) Proposed Commingling Allocation Factors, Eddy County, NM

Proposed Initial Production Allocation Factors

Based on BLM's approved Allocation Methodology and Cimarex's assessment, the "Initial Allocation Factors" for the New Completion Zones in subject well are estimated as follows:

$$\text{Wolfcamp \% Alloc. Factor} = \frac{WC \text{ RGIP} - WC \text{ Prev. Cum Gas}}{\text{Total RGIP}}$$

$$\text{Cisco Canyon \% Alloc. Factor} = \frac{CC \text{ RGIP} - CC \text{ Prev. Cum Gas}}{\text{Total RGIP}}$$

The Recoverable Gas in Place (RGIP) for subject well is 1,584 MMCF from the Wolfcamp and 554 MMCF from the Cisco Canyon, for a total of 2,139 MMCF of gas (see Table 1). In this case, the proposed commingling intervals have never produced in this well (no prior cumulative production), therefore Remaining RGIP (RRGIP) is equal to RGIP for both formations.

The resulting proposed allocation factors are calculated as follows:

$$\text{Wolfcamp \% Alloc. Factor} = \frac{2,455 \text{ MMCF}}{2,805 \text{ MMCF}} = 88\%$$

$$\text{Cisco Canyon \% Alloc. Factor} = \frac{350 \text{ MMCF}}{2,805 \text{ MMCF}} = 12\%$$

The RGIP for each zone is estimated using the Hydrocarbon Pore Volume (HCPV) assessment as shown in Table 1. The implemented net pay cut-offs are Average Porosity (PHI) > 6-10% and Average Sw < 25-35%. Total estimated oil reserves are 90 MBO.

Table 1: Summary of Reservoir Properties, Estimated Reserves and Resulting Allocation Factors

New Mexico DD State Com 3

Proposed RC Zone(S)	Avg. Depth, ft	Est. Reservoir Pressure, psi	Net Pay, h (ft)	Avg. PHI	Avg. Sw	HCPV (1-Sw)*PHI* h	OGIP, MMCF	Est. Recovery Factor	RGIP @RF, MMCF	YIELD B/MM	Oil Reserves (MBO)	Zone Prod. Start Date	Prev. Cum. Gas to Date, MMCF	Remaining RGIP (RRGIP), MMCF	Initial Alloc. Factors, % (based on RRGIP Ratio)
Wolfcamp Total :	9,088	3,953	947	11.8%	20%	33.0	2,892	85%	2,455	32.5	80			2,455	88%
Cisco Canyon :	9,825	4,174	35	14.8%	13%	4.5	412	85%	350	30.0	11			350	12%
Total:			382			37.5	3,304	85%	2,805	32.2	90			2,805	100%

In this well, the spacing for both formations is the same, as well as, public interests: 100% working interest and 77.5% net revenue interest. Both formations are sweet.

Enclosed with this report are the C-107A, Downhole Commingle Worksheet, current and proposed wellbore diagrams, current gas, oil, and water analyses C-102, 3160-5.



CONFIDENTIAL August 17, 2017
Production Operations – Carlsbad Region, Permian Basin
New Mexico DD State Com #3 - Cisco Canyon and Wolfcamp
(Ciscamp) Proposed Commingling Allocation Factors. Eddy County, NM

Appendix A: 2016 Downhole Commingling Field Study for the White City Area



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Pecos District
Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



3180 (P0220)

July 6, 2016

Reference:
White City Area
2016 Downhole Commingling Field Study
Eddy County, New Mexico

Cimarex Energy Co. of Colorado
600 N. Marienfeld Street, Suite 600
Midland, TX 79701

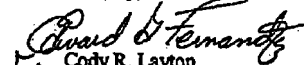
Gentlemen:

In reference to your 2016 Downhole Commingling Field Study for the White City Area; it is hereby approved, with the following conditions of approval:

1. All future NOI Sundries submitted to request approval to downhole commingle (DHC) the Lower Penn, Upper Penn and the Wolfcamp formation shall reference this Study and be mentioned in Exhibit 6A. A copy of this study does not need to be attached to the Sundry.
2. All future NOI Sundries submitted to request approval to DHC shall reference NMOCD approval order.
3. All future NOI Sundries submitted to request approval to DHC shall include the BLM's DHC worksheet.
4. All DHC approvals are subject to like approval by NMOCD.
5. The BLM may require an updated evaluation of the field study be done in the future.

Please contact Edward G. Fernandez, Petroleum Engineer at 575-234-2220 if you have any questions.

Sincerely,


for Cody R. Layton
Assistant Field Manager,
Lands and Minerals

Enclosure
cc: NMP0220 (CFO I&E)



CONFIDENTIAL. August 17, 2017

Production Operations – Carlsbad Region, Permian Basin
New Mexico DD State Com #3 - Cisco Canyon and Wolfcamp
(Ciscamp) Proposed Commingling Allocation Factors. Eddy County, NM

Appendix C: Recompletion Procedure – New Mexico DD State #3

Well Data

KB	23'
TD	11,734'
PBTD	11,626'
Casing	13-3/8" 48# H-40 @ 218'. Cmt'd w/ 400 sx, cmt to sfc 9-5/8" 40# J-55 @ 1,680'. Cmt'd w/ 1,775 sx, cmt circ 5-1/2" 17# P-110 @ 11,734'. Cmt'd w/ 930 sx, cmt circ@ 1,250'
Tubing	2-3/8" 4.7# L-80 8rd, EOT @ 10,845'
Proposed RC Perfs	Wolfcamp (8,570' – 9,506') & Cisco Canyon (9,864' – 10,100')

Procedure

Notify BLM 24 hours prior to start of workover operations.

1. Test anchors prior to MIRU PU.
2. MIRU PU, rental flare, and choke manifold.
3. Kill well with produced water if available or FW as necessary.
4. ND WH, NU 5K BOP
5. Release Halliburton PLS packer with ¼ RH turn and POOH w/339 jts 2-3/8" 4.7# L-80/N-80 tbg standing back.
6. MIRU WL.
7. RIH w/ GR/JB to +/- 10,816'.
8. RIH w/ WL to set CIBP at +/- 10,816'.
9. RIH w/ WL to bail 35' of cement on top of CIBP at +/- 10,816'.
 - a. **Note: This will put TOC @ +/- 10,781'.**
10. RU Pump truck and pressure test casing to 8,500 psi on a chart for 30 minutes with no more than 10% leak off.
11. ND 5k BOP, RDMO PU.
12. RU two 10k frac valves and flow cross.
13. MIRU water transfer with frac tanks to contain water to be pumped from frac pond
14. Test frac valves and flow cross prior to frac job.
 - a. Arrange for these items, manlift, forklift, and Pace testers to be on location the day before the frac job to test so that we do not have the frac waiting on a successful test the following day.
15. RU frac valves, flow cross, goat head, and wireline lubricator.
16. RIH w/ gauge ring/junk basket for 5-1/2" 17# P-110 csg to +/- 10,200'
17. Perforate Cisco Canyon from 9,710' – 9,941'.
18. RU frac and flowback equipment.

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	CIMAREX ENERGY	Sales RDT:	44212
Region:	PERMIAN BASIN	Account Manager:	WAYNE PETERSON (505) 810-9389
Area:	CARLSBAD, NM	Sample #:	43887
Lease/Platform:	WIGEON UNIT	Analysis ID #:	82014
Entity (or well #):	23 FEDERAL 1	Analysis Cost:	\$80.00
Formation:	UNKNOWN		
Sample Point:	SEPARATOR		

Summary		Analysis of Sample 43887 @ 75 °F					
Sampling Date:	05/14/08	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	05/15/08	Chloride:	55040.0	1552.48	Sodium:	32207.4	1400.94
Analyst:	WAYNE PETERSON	Bicarbonate:	329.4	5.4	Magnesium:	268.0	22.05
		Carbonate:	0.0	0.	Calcium:	2780.0	138.72
TDS (mg/l or g/m3):	90873.3	Sulfate:	225.0	4.68	Strontium:		
Density (g/cm3, tonne/m3):	1.062	Phosphate:			Barium:		
Anion/Cation Ratio:	1	Borate:			Iron:	23.5	0.85
		Silicate:			Potassium:		
Carbon Dioxide:	150 PPM	Hydrogen Sulfide:		0 PPM	Aluminum:		
Oxygen:		pH at time of sampling:		7.31	Chromium:		
Comments:		pH at time of analysis:			Copper:		
TEST RAN IN THE FIELD		pH used in Calculation:		7.31	Lead:		
					Manganese:		
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.94	27.24	-1.11	0.00	-1.14	0.00	0.00	0.00	0.00	0.00	0.13
100	0	0.87	31.09	-1.16	0.00	-1.12	0.00	0.00	0.00	0.00	0.00	0.19
120	0	0.99	35.26	-1.20	0.00	-1.08	0.00	0.00	0.00	0.00	0.00	0.28
140	0	1.02	39.74	-1.23	0.00	-1.02	0.00	0.00	0.00	0.00	0.00	0.38

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.



LABORATORY SERVICES
Natural Gas Analysis

www.permianls.com

575.397.3713 2609 W Marland Hobbs NM 88240

For: Cimarex Energy
Attention: Mark Cummings
600 N. Mariefeld, Suite 600
Midland, Texas 79701

Sample: Sta. # 309588438
Identification: Taos Fed. #3 Sales
Company: Cimarex Energy
Lease:
Plant:

Sample Data: Date Sampled 7/2/2014 10:30 AM
Analysis Date 7/9/2014
Pressure-PSIA 83
Sample Temp F 76.4
Atmos Temp F 76

Sampled by: K. Hooten
Analysis by: Vicki McDaniel

H2S =

Component Analysis

		Mol Percent	GPM
Hydrogen Sulfide	H2S		
Nitrogen	N2	0.618	
Carbon Dioxide	CO2	0.172	
Methane	C1	88.390	
Ethane	C2	7.080	1.889
Propane	C3	1.966	0.540
I-Butane	IC4	0.355	0.116
N-Butane	NC4	0.569	0.179
I-Pentane	IC5	0.198	0.072
N-Pentane	NC5	0.213	0.077
Hexanes Plus	C6+	0.439	0.190
		100.000	3.063

REAL BTU/CU.FT.		Specific Gravity	
At 14.65 DRY	1136.2	Calculated	0.6445
At 14.65 WET	1116.4		
At 14.696 DRY	1139.7		
At 14.696 WET	1120.3	Molecular Weight	18.6673
At 14.73 DRY	1142.4		
At 14.73 Wet	1122.6		

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	CIMAREX ENERGY	Sales RDT:	33521
Region:	PERMIAN BASIN	Account Manager:	STEVE HOLLINGER (575) 910-9393
Area:	CARLSBAD, NM	Sample #:	535681
Lease/Platform:	TAOS FEDERAL LEASE	Analysis ID #:	113272
Entity (or well #):	3	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	SEPARATOR		

Summary		Analysis of Sample 535681 @ 75 F					
Sampling Date:	09/28/11	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	10/13/11	Chloride:	52535.0	1481.82	Sodium:	28338.7	1232.66
Analyst:	SANDRA GOMEZ	Bicarbonate:	146.0	2.39	Magnesium:	417.0	34.3
		Carbonate:	0.0	0.	Calcium:	3573.0	178.29
TDS (mg/l or g/m3):	86836.7	Sulfate:	83.0	1.73	Strontium:	1472.0	33.6
Density (g/cm3, tonne/m3):	1.063	Phosphate:			Barium:	22.0	0.32
Anion/Cation Ratio:	1	Borate:			Iron:	34.0	1.23
		Silicate:			Potassium:	215.0	5.5
Carbon Dioxide:	150 PPM	Hydrogen Sulfide:		0 PPM	Aluminum:		
Oxygen:		pH at time of sampling:		6	Chromium:		
Comments:		pH at time of analysis:			Copper:		
RESISTIVITY 0.083 OHM-M @ 75F		pH used in Calculation:		6	Lead:		
					Manganese:	1.000	0.04
					Nickel:		

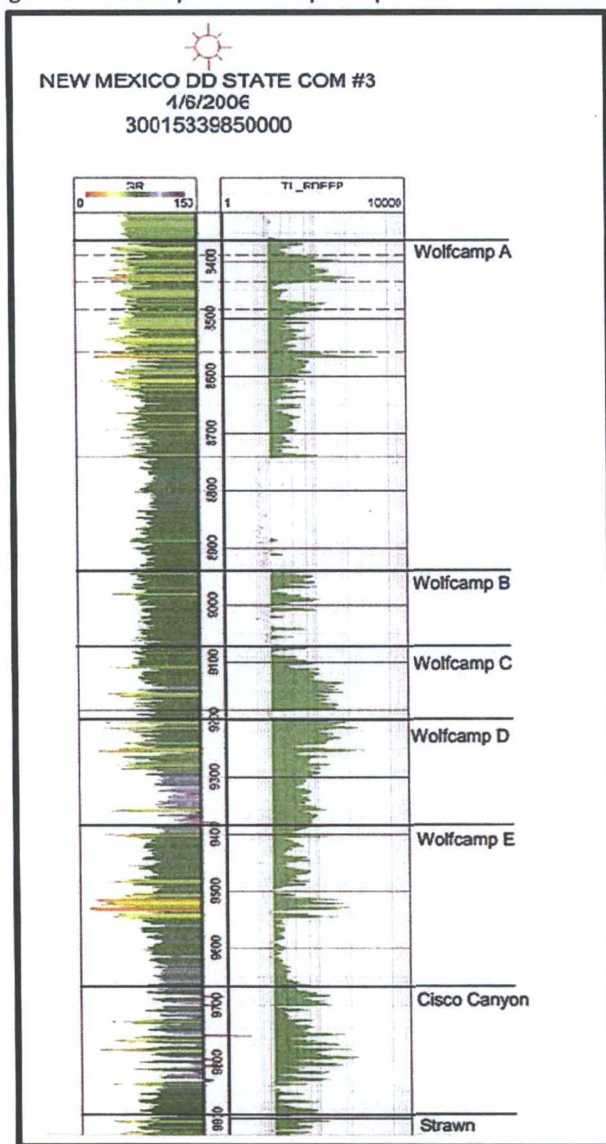
Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	-0.81	0.00	-1.46	0.00	-1.49	0.00	-0.05	0.00	1.22	11.59	1.14
100	0	-0.51	0.00	-1.51	0.00	-1.47	0.00	-0.07	0.00	1.04	10.94	1.44
120	0	-0.40	0.00	-1.54	0.00	-1.43	0.00	-0.07	0.00	0.89	10.30	1.76
140	0	-0.28	0.00	-1.57	0.00	-1.36	0.00	-0.06	0.00	0.75	9.86	2.07

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.

Appendix B: Log section from top of Wolfcamp to top of Strawn – New Mexico DD State #3



North Permian Basin Region
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Sundown, TX 79372-0740
(806) 229-8121

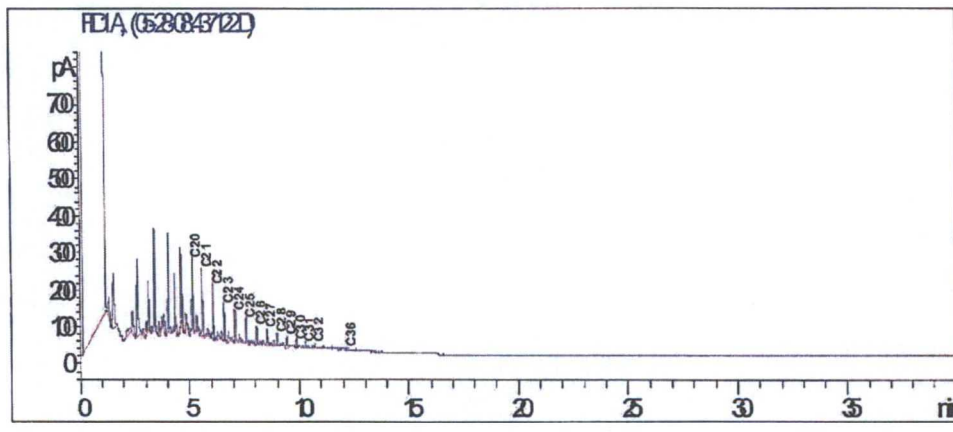
Lab Team Leader - Sheila Hernandez
(432) 495-7240

OIL ANALYSIS

Company:	CIMAREX ENERGY	Sales RDT:	44212
Region:	PERMIAN BASIN	Account Manager:	WAYNE PETERSON (575) 910-9389
Area:	CARLSBAD, NM	Analysis ID #:	3208
Lease/Platform:	WIGEON '23' FEDERAL	Sample #:	437122
Entity (or well #):	1	Analyst:	SHEILA HERNANDEZ
Formation:	WOLFCAMP	Analysis Date:	5/30/08
Sample Point:	FRAC TANK 234	Analysis Cost:	\$100.00
Sample Date:	5/13/08		

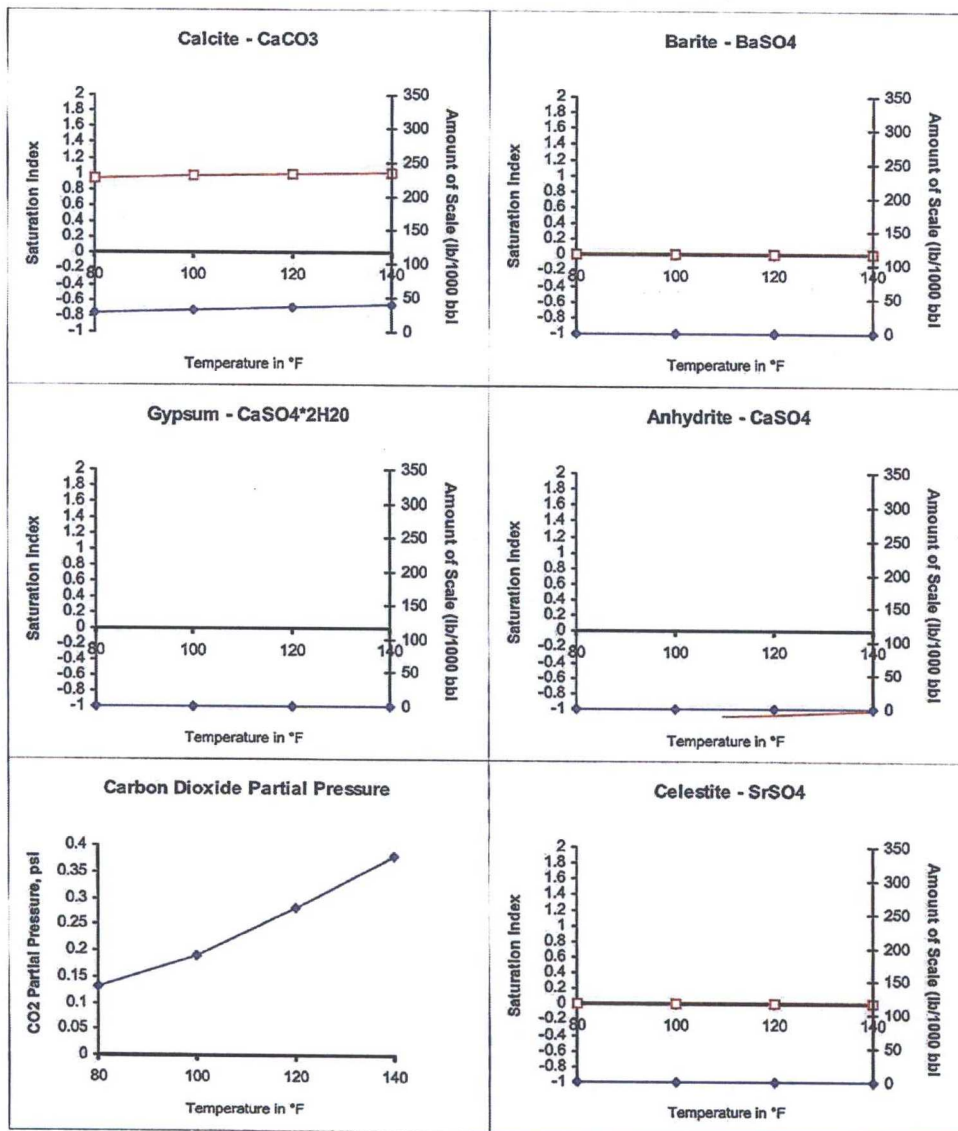
Cloud Point:	<68 °F
Weight Percent Paraffin (by GC)*:	1.49%
Weight Percent Asphaltenes:	0.03%
Weight Percent Oily Constituents:	98.41%
Weight Percent Inorganic Solids:	0.07%

*Weight percent paraffin and peak carbon number includes only n-alkanes (straight chain hydrocarbons) greater than or equal to C20H42.



Scale Predictions from Baker Petrolite

Analysis of Sample 43887 @ 75 °F for CIMAREX ENERGY, 05/15/08



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OIL ANALYSIS

Company:	CIMAREX ENERGY	Sales RDT:	33521
Region:	PERMIAN BASIN	Account Manager:	STEVE HOLLINGER (575) 910-9393
Area:	LOCO HILLS, NM	Analysis ID #:	5419
Lease/Platform:	TAOS FEDERAL LEASE	Sample #:	561758
Entity (or well #):	3	Analyst:	SHEILA HERNANDEZ
Formation:	UNKNOWN	Analysis Date:	09/13/11
Sample Point:	TANK	Analysis Cost:	\$125.00
Sample Date:	08/24/11		

Cloud Point:	89 °F
Weight Percent Paraffin (by GC)*:	1.03%
Weight Percent Asphaltenes:	0.01%
Weight Percent Oily Constituents:	98.93%
Weight Percent Inorganic Solids:	0.03%

*Weight percent paraffin and peak carbon number includes only n-alkanes (straight chain hydrocarbons) greater than or equal to C20H42.

