Form 3160-5 (August 2007)

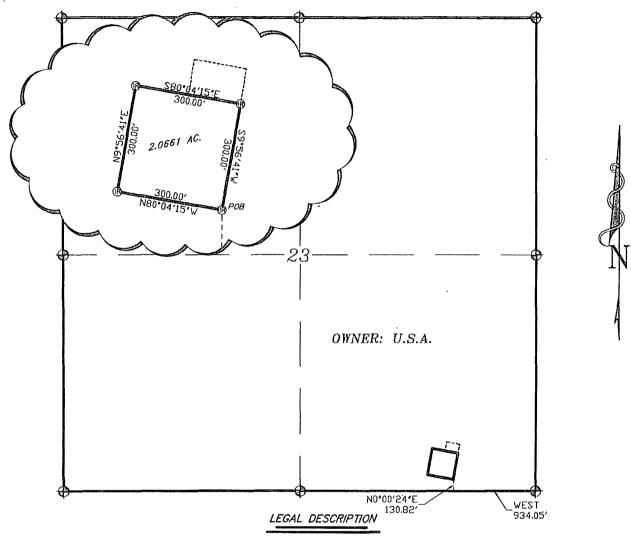
UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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| | OWRV | O. I | UU4- | 0133 |
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| | Expires: | July | 731, | 2010 |
| Lease Se | rial No. | | | |
| | 444070 | | | |

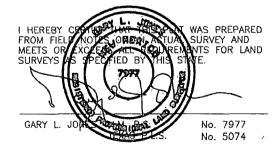
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. | | | | | NMNM114978 | | | |
|--|---|---|--|--|--|---------------------------------|--|--|
| | | | | | 6. If Indian, Allottee | or Tribe Name | | |
| SUBMIT IN TRIPLICATE - Other instructions on re- | | | verse side |) , | | 7. If Unit or CA/Agre | ement, Name and/or No. | |
| Type of Well Gas Well | | | | | 8. Well Name and No FORTY NINER R | RIDGE 23 FEDERAL FRAC | | |
| 2. Name of Operator Contact: MICHELLE CHACIMAREX ENERGY CO. OF COLORAD Mail: mchappell@cimarex.com | | | CHAPPEL 1 | Ł | | 9. API Well No. | | |
| 3a. Address 3b. Phone N 600 N. MARIENFELD STREET, SUITE 600 Ph: 432-6 MIDLAND, TX 79701 Fx: 432-62 | | | | | | Exploratory NE SPRINGS | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | | - | 11. County or Parish, and State | | |
| Sec 23 T23S R30E SWSE | | | | | | EDDY COUNT | Y, NM | |
| 12. СНЕСК АРРІ | ROPRIATE BOX(ES) TO |) INDICATI | E NATUR | E OF N | OTICE, RI | EPORT, OR OTHE | R DATA | |
| TYPE OF SUBMISSION | | | Т | YPE OF | ACTION | | | |
| Notice of Intent | ☐ Acidize | ☐ Dec | epen | | ☐ Product | ion (Start/Resume) | ☐ Water Shut-Off | |
| _ | ☐ Alter Casing | 🗖 Fra | cture Treat | | ☐ Reclama | ation | □ Well Integrity | |
| ☐ Subsequent Report | ☐ Casing Repair | _ | v Construct | | ☐ Recomp | | ⊠ Other | |
| ☐ Final Abandonment Notice | ☐ Change Plans ☐ Convert to Injection | | g and Aban g Back | don | ☐ Tempor | arily Abandon | | |
| following completion of the involved testing has been completed. Final Ab determined that the site is ready for final Cimarex Energy Co. of Colora our Forty Niner Ridge 23 Fede the Forty Niner Ridge 23 Fede The pit floor will be lined with Colora our Forty Niner Ridge 23 Fede The pit floor will be lined with Colora our Forty Niner Ridge 23 Fede The pit floor will be game fence service Cimarex operated Bon be utilized along existing roads stimulation. When drilling has reseeded per BLM specification Entry into the pit will be from the Colora of the Colora o | andonment Notices shall be file in al inspection.) do proposes to construct eral lease as shown on atteral wells, the Forty Niner Geofoam or caliche to proe with a 12' gate at the note Spring completions in the sto fill the pit and transpoceased in the area, the pins. | a 300' x 300 tached plat a Ridge 25 Fe tect against printers. Fas it fresh wate it area will be mether the Forty Mer separate | 'x 12' fresi nd topo. T deral wells rocks, if ar er of the pi st lines fror r to the we e reclaimed | h water The pit vs and the y. The it. The m water alls for fod, conto | frac pit on vill service se Sandy we pit will bit will haulers wil ac ured and | , have been completed, | and the operator has steed for record SEP 1 1 2013 | |
| 14. I hereby certify that the foregoing is | true and correct. Electronic Submission #2 | 203783 verifie | d by the Bl | _M Well | Information | System | | |
| | For CIMAREX ENER | GY CO. OF C | OLORADO | , sent to | the Carisb | ad | | |
| Name (Printed/Typed) MICHELLE | CHAPPELL | | Title R | EGULA | TORY TEC | HNICIAN | | |
| Signature (Electronic S | ubmission) | <u>.</u> | Date 04 | 4/08/20 ⁻ | 13 | | | |
| | THIS SPACE FO | R FEDERA | L OR ST | ATE O | FFICE US | E | | |
| Approved By Amely | a. Como | ···· | Title | 55 | 105 | | Date 9-6-13 | |
| Conditions of approval, if any, are attached retify that the applicant holds legal or equivalent would entitle the applicant to conductive the | itable title to those rights in the | not warrant or subject lease | Office | w de la constanta de la consta | CARLSB. | AD FIELD OFFICE | | |
| Tale 18 U.S.C. Section 1001 and Title 43 I | J.S.C. Section 1212, make it a clatements or representations as | rime for any pe | rson knowing | gly and w | illfully to mal | ce to any department or | agency of the United | |

SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY. NEW MEXICO.



A TRACT OF LAND LOCATED IN SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES WEST, 934.05 FEET AND N.00'00'24"E., 130.82 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE N.80'04'15"W., 300.00 FEET; THENCE N.09'56'41"E., 300.00 FEET; THENCE S.80'04'15"E., 300.00 FEET; THENCE S.09'56'41"W., 300.00 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 2.0661 ACRES, MORE OR LESS.



Basin surveyS p.o. box 1786—Hobbs, new mexico

Drawn By: K. GOAD W.O. Number: 28307 Dote: 03-14-2013 Disk: KJG - 28307TRACT.DWG 1000 1000 2000 FEET

CIMAREX ENERGY CO. OF COLORADO

PROPOSED SANDY/49er FRAC TANK

A TRACT OF LAND IN SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,

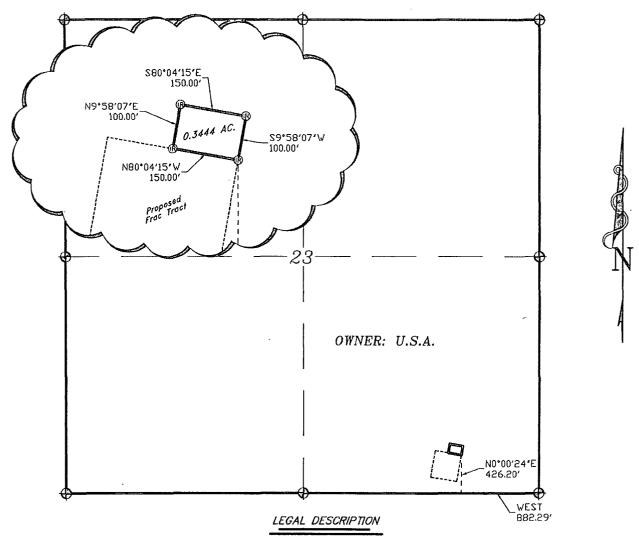
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 03-06-2013

Sheet

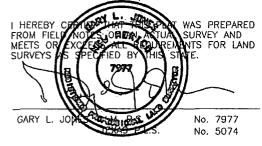
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SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



A TRACT OF LAND LOCATED IN SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES WEST, 882.29 FEET AND N.00'00'24"E., 426.20 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE N.80'04'15"W., 150.00 FEET; THENCE N.09'58'07"E., 100.00 FEET; THENCE S.09'56'41"W., 150.00 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 0.3444 ACRES, MORE OR LESS.



BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

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CIMAREX ENERGY CO. OF COLORADO

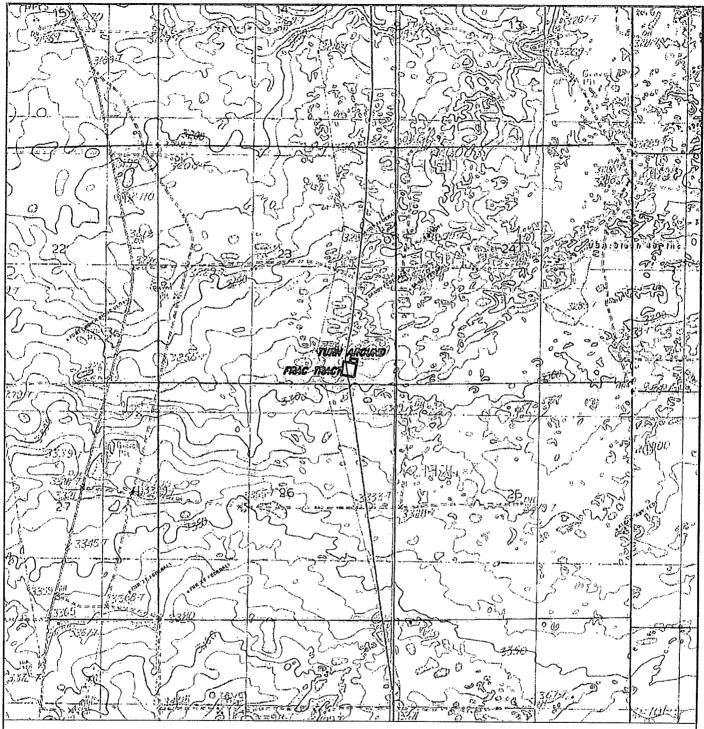
REF: PROPOSED TURN AROUND FOR THE SANDY/49er FRAC TANK

A TRACT OF LAND IN

SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 03-06-2013 | Sheet 2 of 2 Sheets



PROPOSED FRAC TRACT AND TURN AROUND Section 23, Township 23 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

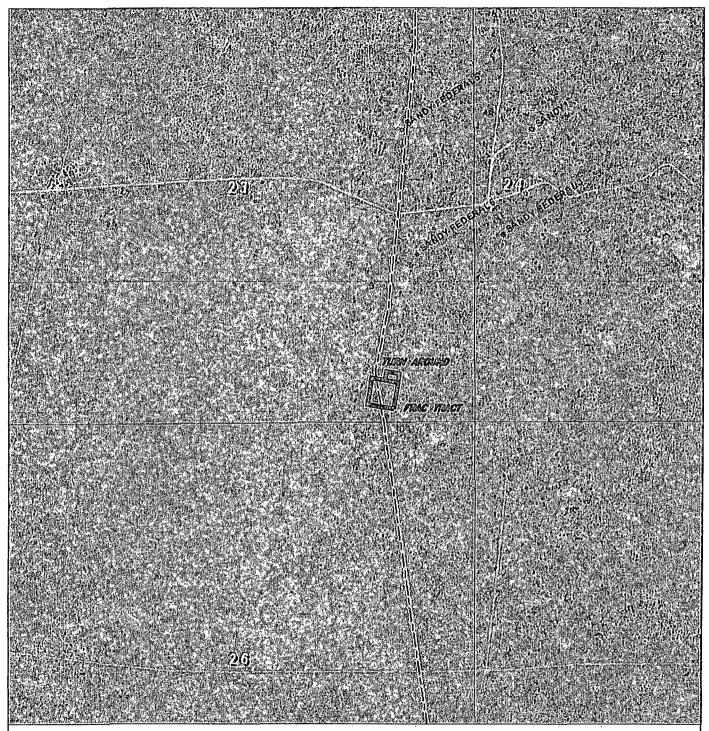


P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393—7316 — Office (575) 392—2206 — Fax basinsurveys.com

| Survey | Date: | 03062013 |
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W.O. Number: KJG 28307

CIMAREX ENERGY CO. OF COLORADO



PROPOSED FRAC TRACT AND TURN AROUND Section 23, Township 23 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

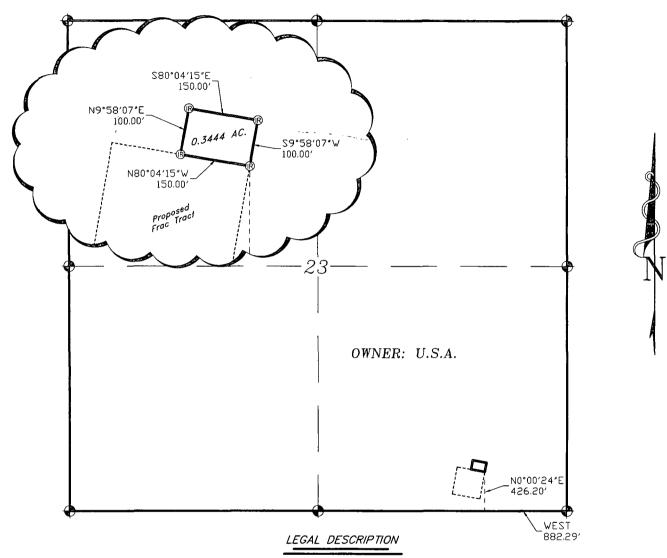


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Scale: 1" = 1000'

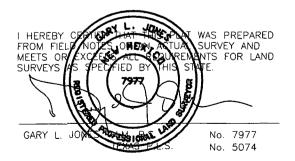
YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND CIMAREX ENERGY CO. OF COLORADO

SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



A TRACT OF LAND LOCATED IN SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

 W.O. Number: 28307
 Drawn By:
 K. GOAD

 Date: 03-14-2013
 Disk:
 KJG - 28307TRACT.DWG

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CIMAREX ENERGY CO. OF COLORADO

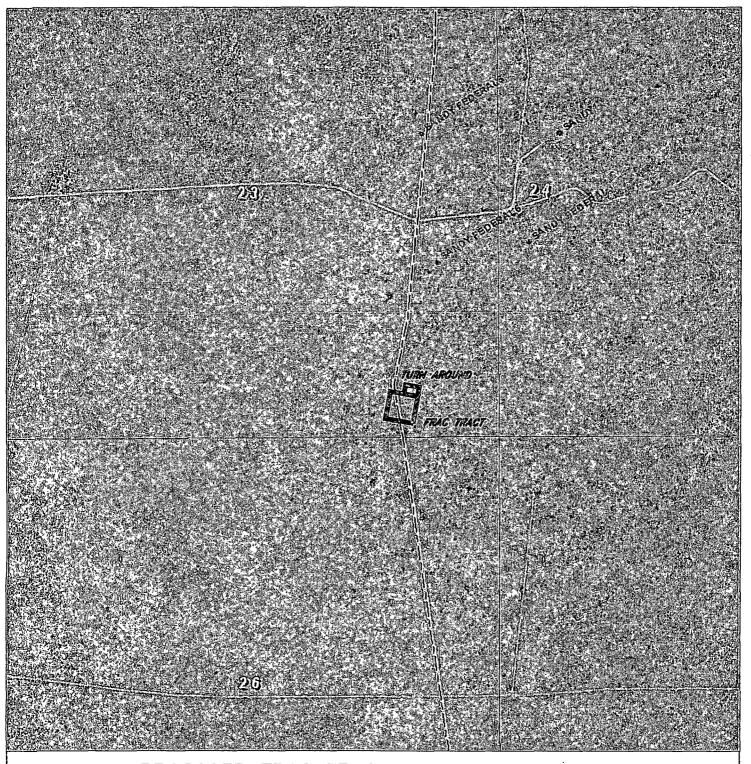
REF: PROPOSED TURN AROUND FOR THE SANDY/49er FRAC TANK

A TRACT OF LAND IN

SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.M. I.M., EDDT COUNTY, WEN MEXICO.

Survey Date: 03-06-2013 Sheet 2 of 2 Sheets



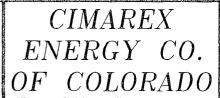
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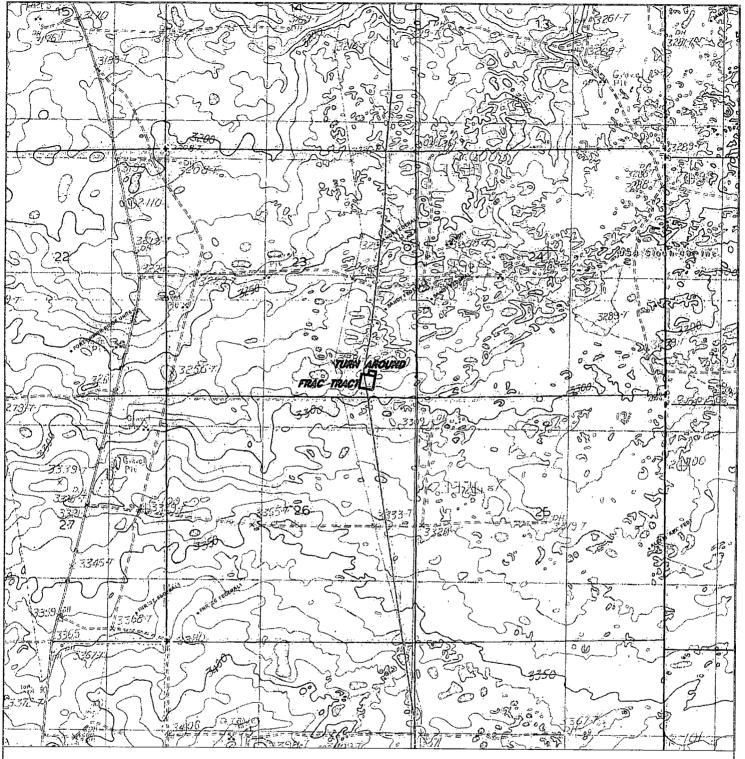


P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com W.O. Number: KJG - 28307

Scale: 1" = 1000'

YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND





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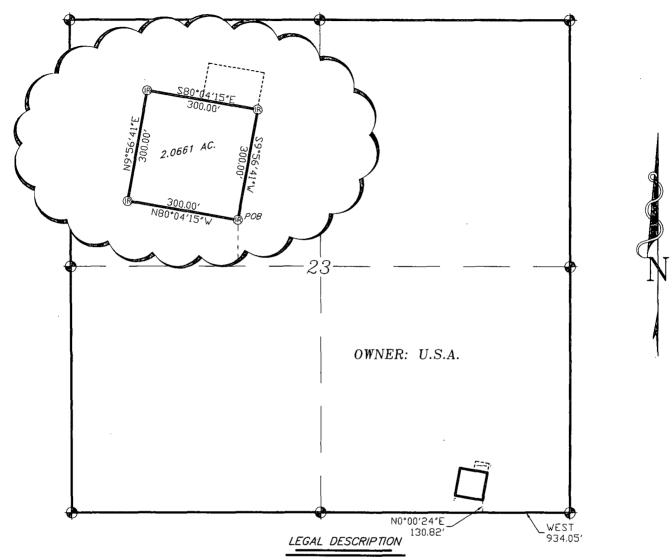


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|) | W.O. Number: KJG 28307 | The second second |
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| | Survey Date: 03-06-2013 | A COLUMN TANK |
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| | Date: 03-06-2013, | ĺ |

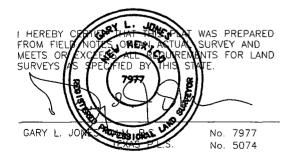
CIMAREX ENERGY CO. OF COLORADO

SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



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1000 0 1000 2000 FEET

CIMAREX ENERGY CO. OF COLORADO

REF: PROPOSED SANDY/49er FRAC TANK

A TRACT OF LAND IN

SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 03-06-2013 Sheet 1 of 2 Sheets

BLM LEASE NUMBER: NMNM114978

COMPANY NAME: Cimarex Energy Co. of Colorodo

ASSOCIATED WELL NAME: Forty Niner Ridge 23 Federal 1H

FRAC POND CONDITIONS OF APPROVAL

A copy of the application (APD, Grant, or Sundry Notice) and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

- 1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
- 3. Required Standard Conditions of Approval:

a. Notification

Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.

b. Freshwater Only

The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer in writing.

c. Contamination

If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly. The operator will preclude releases of oil into open pits. The operator must remove any accumulation of oil, condensate, or contaminant in a pit within 48 hours of discovery.

d. Authorized Disturbance

Confine all construction and maintenance activity to the approved authorized area applied for in the application.

e. Facilities

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations. Grey-water, sewage, and trash shall be removed from the site and disposed of properly at a state approved facility.

f. Escape Ramps

The operator will construct and maintain frac ponds to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in frac ponds. Escape ramps must be installed at every corner of

the frac pond and in the center of each side if that side exceeds 100 feet in length. Escape ramps must be in contact with the side of the frac pond, bottom of the frac pond, and the top of the frac pond berm. Escape ramps <u>cannot</u> be made of metal and <u>cannot</u> be steeper than a 3:1 slope (Horizontal Distance: Vertical Distance) or 30% slope. (Examples of escape ramps: 12" wide wooden planks wrapped in matting, felt lining, etc.)

g. Frac Pond Pipelines

Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer in writing.

h. Mineral Material from Excavation

Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.

i. Frac Pond Liner

The frac pond will be lined with at least a 30 mil. plastic liner. The plastic lining will be removed prior to final abandonment.

j. Topsoil Stockpile

The operator shall strip at least the top 6 inches of soil (root zone) from the entire frac pond area and stockpile the topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion. Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.

k. Frac Pond Fence

The operator will install and maintain exclosure fencing on all sides of the frac pond to prevent access to public, livestock, and large forms of wildlife. The fence shall be installed at the base of the berm and never on top of the berm. Construction of the fence shall consist of steel and/or wooden posts set firmly into natural ground. Hog panel or chain-link fencing must be used as the fence and tied securely to the fence posts. Barbed-wire fencing or electric fences shall not be used. The fence height shall not be shorter than six (6) feet. The erected fence shall be maintained in adequate condition until the frac pond is reclaimed.

l. Erosion Prevention

Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.

m. Reclamation Start

- I. Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- II. Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:
 - i. Any roads approved for use with the pond
 - ii. Surface water lines
 - iii. Tanks, pumps, fencing etc.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

- 5. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 6. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 7. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection (575)234-5909, **prior** to beginning surface reclamation operations.

| () seed mixture 1 | () seed mixture 3 |
|--------------------|-------------------------|
| (X) seed mixture 2 | () seed mixture 4 |
| () LPC mixture | () Aplomado Falcon mix |

8. Seeding is required: Use the following seed mix.

9. Special Stipulations:

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction.

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

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

^{*}Pounds of pure live seed:

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