SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill of to re-enter an abandanced well. Use down 316:0.4 (20) for such proposals. SUMMIT IN TRIFLICATE - Origin (hight will form on the submit of th	Form 3160-5 (Nove:aber 1994)**	UNITED S DEPARTMENT OF T BUREAU OF LAND	FORM APPROVED OMB No 1004-0135 Expires July 31, 1996						
Control Web Construction Control Web Construction Control Web Construction Control Web Construction Cons		LC-065457 6. If Indiar	n, Allottee or Tribe Name						
 Invest Bas weil Oner 2. Hene of Operator Binder Control		IN TRIPLICATE - Other instruction	ons on reverse side	• <u>.</u>		SEP 21 2	201 0		
2. Name of Operator Cinnares Energy Co. of Colorado Sa API Vet No. A API Vet API API		Other			8. Well Na		TESI		
a. Address a. Address b. Prom No. (include area code) a. D. Feed and C. Spec. 500; Micland, TX 72701 b. Control Visit (Sec. 500; Micland, Sec. 500;									
Loaden of Well (Foodage, Sec, T, A, M, or Survey Description) SHL 1350 FSL & 2050 FWL 30-245-26E SHL 5124 FSL & 1316 FWL 3125 FSL & 1316 FSL 3125 FSL & 1316 FSL 3125 FS	• • • • • • • • • • • • • • • • • • • •		3b. Phone No. (inclu	de area code)	30-015-34030				
SHI 1350 F5IL 2.050 FWL 30-245-26E 11 Courty Prends State BHL 1374 F5IL & 1616 FWL Eddy County, NM 12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION Pred FACTION Water Shut-Of Buddequart Report Buddequart Report Deepen Check Approach Check Charper County Buddequart Report Deepen Trans Abardooment Notoe Charge Parks Table Abardooment Notoe Charge Parks Buddequart Report Charge Parks The popolate to deepend metchalls, Include etanated attempt deef day proposed with and performative Abardooment Notoe Buddequart Report Charge Parks Buddequart Report Charge Parks <td>· · · · · · · · · · · · · · · · · · ·</td> <td></td> <td>432-571-7800</td> <td></td> <td>1</td> <td></td> <td></td>	· · · · · · · · · · · · · · · · · · ·		432-571-7800		1				
TYPE OF SUBMISSION TYPE OF ACTION Modee of Intent Acidate Despen Production (Start/Resume) Water Shuk-Off Mode of Intent Acidate Despen Production (Start/Resume) Water Shuk-Off Subsequent Report Camage Repart Hew Construction Recomplete Other Recomplete to If a percent in Inpection Pag and Abandom The propeasity Abandom Dicco and Wolfcamp and If a percent in those Comage Repart Hew Construction Mater Dispose Other Recomplete to If a percent in Inpection Pag and Abandomment Notice Pag and Abandom Water Dispose DHC If a percent in the work will be performed or percent in the band will be performed or percent in the percent in the set as easy off the percent is the percent is as shown in the estate-set off the percent is as sh	SHL 1350 FSL & 2050 FWL				11. County	or Pansh, State			
Notice of Intent Acidaze Despine Production (SutrResume) Water Shat-Off Notice of Intent Actor Gasing Practure Trast Reclamation Well Integrity Subsequent Report Carage Repair New Construction Recomplete Cisco and Wolfcamp and Table State Report Carage Repair New Construction Recomplete Cisco and Wolfcamp and Table State Report Cisco and Wolf Camp and Direct Integrity Cisco and Wolfcamp and Direct Integrity 13. Describe Proposed or Completed Operation (Seriely state all pertnent defails, include estimated atting date of any proposed work and approximate duration theres. If the proposal is to despine and construction work with be parformed provide the Bod No on Bitwin BitMeRI. Repaired stategenet expects and a band tool Not with But Performent, including reamation, have teen completed. Final State Attabutes the state and the series in the series of the state and the series in the complete to the complete to Direct Performance and the series of the state and the series in the series of the state set and the series of the series at the series of the state set and the series of the state set and the series of the series of the series at the series of t	12. CHECK	APPROPRIATE BOX(ES) T	O INDICATE NAT	URE OF NOTIO	CE, REPORT	, OR OTHER DAT	A		
Budsequent Report Pradue Tasing Pradue Train Recomplete Predumation Predumation The process of completed Operation (Sensy State all pertinent details, includer estimated stating date of any proceed work and approximate duration Iterned. Pred game Abandon Decreme Preport of Completed Operation (Sensy State all pertinent details, includer estimated stating date of any proceed work and approximate duration Iterned. 13. Describe Proposed or Completed Operation (Sensy State all pertinent details, includer estimated stating date of any proceed work and approximate duration Iterned. If the process all to State of the Over All Deperformed or provide the Beard one of the sensy State of the Instruments and a matches completed. The All Deperformed and the sense of the Sense on predict. Final Abandonment Network all the performed or provide the Beard intervent in the sense on predict. Final Abandonment Network and personality or recompletion of the instrument and the sense on predict. Final Abandonment Network and Personality in Sense abandon Method approximate duration that the site is ready for final inspection.) Well has been one completed. The Beard Predict Decremony of the Beard Decremony of the Instrument and the sense abandon ment. Pressure test to 5000 psl. NOWH, NU SK BOP. Red Park, TOOH & LD the. Set CIBP @ 11450' and dump 35' cmt on top. Request to adress abandonment plugg over Morrow and final abandonment. Pressure test to 5000 psl. • Perf Cisco 10047-10177 '1 sipsf, B1 holes. Acidize and frac 10047-10177' w 5000 gal acid and 232257 gal slickwater containing 25000# 100 mesh & 150000# 30/50 mesh. CBP @ 9355.'' • Perf Wolfarmp 9200-9333' is jpsf, 60 holes. Acidize and frac 9209-9333'	TYPE OF SUBMISSION		1	YPE OF ACTION					
Change Plans Plug and Abandon Canvert to Injuction Plug Back Water Disposal December Proposed or Completed Operation (clearly state all pertnern defails, included estimated starting date of any proposed work and approximated and outsion thereof. If the proposal is to despendirectually or ecomplete horizority all estimates databares becautes and measured and thus what and genoralized Atland the bood under which the work will be performed or provide the Bond No on file with BLAGUA. Required subsequent reports shall be filed within 30 days following completed. First Abandomment Notices shall be filed within 30 days following completed. First Abandomment Notices shall be filed within 30 days determined before file all weeks or meanyleation in a new interval. a Form 3100-4 shall be filed within 30 days determined the the lare reaction for file independent on the more complete in a new interval. a Form 3100-4 shall be filed within 30 days determined the the lare reaction for file independent. The operation shall be filed within 30 days determined the the lare reaction for file independent on the operation shall be filed within 30 days determined the the lare reaction for file independent on the operation shall be filed within 30 days determined the the lare reaction. Well has been completed. First Abandomment Notices shall be filed within 30 days determined the the lare reaction. Well has been completed operation. If the operation shall be filed within 30 days determined the the lare reaction. Well has been completed operation. If the operation shall be filed within 30 days determined the shall be filed within a reaction. Well has been completed operation. If the operation shall be filed within 30 days operation the interval a file days and proceeding plate and reaction. NDWH, NU SK BOP. Rel plat, TOOH & LD the. Set ClBP @ 11450' and Clamp 322507 gal slickwater containing 25000# 100 mesh % 150000# 30/50 sand. CBP	Notice of Intent				/Resume)	==			
Image:	Subsequent Report								
If the proposal is to deepen directionally or recomplete horizontably, give subserface locations and measured and tread depth of all pertined markers and zones Attach the bood under which the only will be performed or provide the Bonk to on file with BLMGIA. Required subsequent reports shall be file 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 shall be file 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 shall be filed once testing has been completed. Final Abandomment Notices shall be filed only after al requerements, including reclamation, have been completed, and the operator has determined and the shall be ready for full algorithm. Well has been shull in since 10-2009. Open Morrow perfs @ 11491-11500.' CBP @ 11550' over Morrow perfs @ 11572-11603.' CBP @ 11150' over Morrow perfs @ 11786-11785.' Cimarex proposes to plug Morrow and recomplete to Cisco and Wolfcamp for DHC as shown in the attached procedure, plat, and WBD. • NDWH, NU SK BOP. Rel pkr, TOOH & LD tbg. Set CIBP @ 11450' and dump 35' cmt on top. Request to adress abandonment plugg over Morrow at final abandonment. Pressure test to 5000 psi. • Perf Cisco 10047-10177' sipsf, B1 holes. Acidize and frac 10047-10177' w 5000 gal acid and 232103 gal slickwater containing 25000# 100 mesh % 150000# 30/50 sand. CBP @ 10135. • Perf Wolfcamp 930-9613' 3 jspf, 60 holes. Acidize and frac 930-9613' w 5000 gal acid and 360046 gal slickwater containing 25000# 100 mesh & 255000# 30/50 sand. CBP @ 9835.' • Perf Wolfcamp 930-9613' 3 jspf, 60 holes. Acidize and frac 9005-9178' w 5000 gal acid and 231433 gal slickwater containing 25000# 100 mesh & 20000# 30/50 sand. CBP @ 9155.' • Perf Wolfcamp 930-9613' 3 jspf, 60 holes. Acidize and frac 9005-9178' w 5000 gal acid and 300113 gal slickwater containing 35000# 100 mesh & 200000# 30/50 sand. CBP @ 9155.	Final Abandonment Notice				-	···	<u> </u>		
14. I hereby certify that the fore sing Burger For FO LIKE Name (Printed/Typed) Title APPROVAL BY STATE Title Natalie Krueger Regulatory Signature Date August 12, 2010 APPROVED 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	 Well has been shut in since over Morrow perfs @ 117 attached procedure, plat, a NDWH, NU 5K BOP. Re Morrow at final abandonm Perf Cisco 10047-10177' mesh % 150000# 30/50 sar Perf Cisco 9903-10019 3 150000# 30/50 mesh. CBP Perf Wolfcamp 9370-962 mesh & 295000# 30/50 san Perf Wolfcamp 9209-933 mesh & 150000# 30/50 san Perf Wolfcamp 9005-911 mesh & 200000# 30/50 san DO CBPS and CO sand to 	e 10-2009. Open Morrow perfs @ 786-11795.' Cimarex proposes to nd WBD. If pkr, TOOH & LD tbg. Set CIBP ent. Pressure test to 5000 psi. ' 3 jspf, 81 holes. Acidize and fra d. CBP @ 10135.' jspf, 60 holes. Acidize and frac 99 @ 9880.' 13' 3 jspf, 60 holes. Acidize and f d. CBP @ 9355.' 33' 3 jspf, 60 holes. Acidize and f d. CBP @ 9195.' 78' 3 jspf, 60 holes. Acidize and f d. 10950' w coiled tubing. Install tbg	 plug Morrow and i @ 11450' and dump 10047-10177' w 50 903-10019' w 5000 al frac 9370-9613' w 50 frac 9209-9333' w 50 frac 9005-9178' w 50 	ecomplete to Cisc 35' cmt on top. 200 gal acid and 22 acid and 232103 g 200 gal acid and 30 200 gal acid and 30 200 gal acid and 30 200 gal acid and 30 200 gal acid and 30	eo and Wolfcar Request to adr 32257 gal slick gal slickwater co 60046 gal slick 31433 gal slick 00113 gal slick TTACH	mp for DHC as shown ress abandonment plu water containing 2500 ontaining 25000# 100 f water containing 4500 water containing 2500 water containing 3500 ED FOR	n in the gg over 00# 100 mesh & 00# 100 00# 100		
Natalie (r/med/typed) APPROVAL BY STATE Natalie Krueger Regulatory Signature Date August 12, 2010 APPROVED 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			·.	CONL	JIION2	UF APPROV	YAL		
Natalie Krueger Regulatory Signature Date Watation 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	Name (Printed/Typed)	PROVAL BY STATE	Title						
Magust 12, 2010 August 12, 2010 Approved by HIS SPACE FOR FEDERAL OR STATE OFFICE USE 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.	Natalie Krueger								
Approved by Title Date 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 SEP 1 5 2010	Uataly	this space for	August 12, 2		APP	ROVED	1		
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.	Approved by	<u>_</u>				Date	1		
	certify that the applicant holds legal o which would entitle the applicant to co	r equitable title to those rights in the subj onduct operations thereon.	ject lease		Is/ C	hris Walls	<u></u> 		

(Instructions on reverse)

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KZ

J M Gates NCT-1 Federal #3 Ciscamp Recompletion Procedure

Well Data:	
KB	23' above GL
TD	12207'
PBTD	11550'
Casing	13-3/8" 54.5# J-55 @ 235'. Cmtd w/ 250 sx. Cmt circ.
	9-5/8" 40# N-80 @ 1570'. Cmtd w/ 1125 sx. Cmt circ.
	5-1/2" 17# P-110 @ 12207'. Cmtd w/ 1200 sx. Cmt Circ.
	DV Tool @ 7208'. Cmtd w/ 2270 sx. TOC @ 980' by CBL.
Perfs	Morrow – (11491' – 11500')

Procedure:

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• 3

- RU capillary tbg truck and pull capillary tbg. RD capillary tbg truck. MIRU pulling unit. If necessary, kill well w/ FW. ND WH, NU BOP, Release pkr, TOOH & LD tbg. RU wireline and run gauge ring to 11050'. Run CIBP and set @ <u>+</u> 11450' and dump 35' cmt on top of CIBP. RU pump truck and pressure test csg to 5000 psig w/ FW. Change out 5K wellhead for 10K wellhead. ND BOP and RU 10K goat head frac valve. RDMO pulling unit.
- RU wireline truck and mast unit. Perforate Cisco Canyon (10047' 10050', 10062' 10066', 10076' – 10080', 10091' – 10095', 10105' – 10109', 10133' – 10137', 10173' – 10177') 3 JSPF at 120 degree phasing w/ 3-1/8" casing guns. Total of 81 holes. Depth reference log Halliburton Spectral Density Dual Spaced Neutron Log dated July 10, 2005.
- RU stimulation company. Acidize and frac Cisco Canyon perfs (10047' 10177') down 5-1/2" csg w/ 5000 gals acid followed by 232,257 gals slick water containing 25,000# 100 mesh & 150,000# 30/50 sand. Set 10K flow thru composite plug @ 10135'.
- Perforate Cisco Canyon (9903' 9907', 9925' 9929', 9961' 9965', 9986' 9990', 10015' – 10019') 3 JSPF at 120 degree phasing w/ 3-1/8" casing guns. Total of 60 holes. Depth reference log Halliburton Spectral Density Dual Spaced Neutron Log dated July 10, 2005.
- 5. Acidize and frac Cisco Canyon perfs (9030' 10019') down 5-1/2" csg w/ 5000 gals acid followed by 232,103 gals slick water containing 25,000# 100 mesh & 150,000# 30/50 sand. Set 10K flow thru composite plug @ 9880'.
- Perforate Wolfcamp (9370' 9374', 9404' 9408', 9446' 9449', 9476' 9479', 9527' 9530', 9610' – 9613') 3 JSPF at 120 degree phasing w/ 3-1/8" casing guns. Total of 60 holes. Depth reference log Halliburton Spectral Density Dual Spaced Neutron Log dated July 10, 2005.

J M Gates NCT-1 Federal #3 Ciscamp Recompletion Procedure Page 2

- Acidize and frac Wolfcamp perfs (9370' 9613') down 5-1/2" w/ 5000 gals acid followed by 360,046 gals slick water containing 45,000# 100 mesh & 295,000# 30/50 sand. Set 10K flow thru composite plug @ 9355'.
- Perforate Wolfcamp (9209' 9213', 9240' 9244', 9266' 9270', 9301' 9305', 9329' 9333') 3 JSPF at 120 degree phasing w/ 3-1/8" casing guns. Total of 60 holes. Depth reference log Halliburton Spectral Density Dual Spaced Neutron Log dated July 10, 2005.
- Acidize and frac Wolfcamp perfs (9209' 9333') down 5-1/2" csg w/ 5000 gals acid followed by 231,433 gals slick water containing 25,000# 100 mesh & 150,000# 30/50 sand. Set 10K flow thru composite plug @ 9195'.
- Perforate Wolfcamp (9005' 9007', 9030' 9032', 9070' 9073', 9103' 9107', 9142' -9146', 9174' – 9178') 3 JSPF at 120 degree phasing w/ 3-1/8" casing guns. Total of 60 holes. Depth reference log Halliburton Spectral Density Dual Spaced Neutron Log dated July 10, 2005. RD wireline.
- 11. Acidize and frac Wolfcamp perfs (9005' 9178') down 5-1/2" csg w/ 5000 gals acid followed by 300,113 gals slick water containing 35,000# 100 mesh & 200,000# 30/50 sand. RD Stimulation company.
- 12. RU 1-3/4" coiled tbg unit. TIH w/ 4-5/8" butterfly mill & extreme downhole motor on 1-3/4" CT and drill out sand and composite plugs @ 9195', 9355', 9880', and 10035'. Make a minimum of 2 gel sweeps while drilling out composite plugs. FIH w/ coiled tbg and CO sand to 10950'. TOOH w/ mill, motor, & CT. RD coiled tbg unit.
- 13. Flow back well until sand production cleans up, the SI well overnight.
- 14. RU wireline and full 10K lubricator. RIH w/ 4-3/4" GR to 8950'. TIH w/ 10K pkr w/ on-off tool, and a pump out plug (pinned for 7500 psi BHP) in place and set @ <u>+</u> 8920'. RD wireline and full lubricator.
- 15. ND goat head and NU BOP. TIH w/ on-off tool, tbg and gas lift valves as per recommendation testing tubing below slips to 8000 psi. Tag pkr and PU 1 jt. RU PT and establish circ w/ FW. Pickle tbg w/ 500 gals 15% HCl and reverse out acid. Circ hole until good clean wtr is left in annulus (annulus volume = 164 bbls). FIH w/ tbg and latch on to pkr. ND BOP, NU WH. RD pulling unit.
- 16. RU PT & pressure up to 4000 psig to pump out plug. Put well on production.





District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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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 October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	(PI Number) 15-340	•		' Pool Code 87280					
[*] Property C 30300		³ Property Name JM Gates NCT-1 Federal 003							
⁷ ogrid n 162683				*Operator Name Cimarex Energy Co. of Colorado 3465' GR					
	¹⁰ Surface Location								
UL or lot no. K	Section 30	Township 24S	Range 26E	Lot Idn	Feet from the 1350	North/South line South	Feet from the 2050	East/West line West	County Eddy
			¹¹ Bo	ttom Hole	e Location If	Different From	n Surface		
UL or lôt no. K	Section 30	Township 24S	Range 26E	Lot Idn	Feet from the 1378	North/South line South	Feet from the 1782	East/West line West	County Eddy
^u Dedicated Acres 640	¹⁰ Joint of	r Infil 14 (Consolidation C	Code ¹⁸ Ordi	* Order No. DHC Pending				

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 haveby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this arganization either owns a working interest or unleased more al 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 biverest, or to a voluntary peoling agreement or a compulsory pooling order
		JM Gates NCT-1 I 1650 FNL & 1650	£	Incretofore entered by the division Zero Farris Date Zeno Farris Printed Name
				¹⁸ 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.
SH PP	Gates NCT-1 Fed 3 L 1350 FSL & 2050 FWL Cisco 1397 FSL & 2052 L @ PBTD 1378 FSL & 2 LC-06	FWL JM G	ates NCT-1 Fed 2 FSL & 1025 FEL	Date of Survey Signature and Seal of Professional Surveyor Certificate Number

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

4

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT										
	API Number 015-340	umber Pool Code Pool Name								
[•] Property 30300		[*] Property Name JM Gates NCT-1 Federal 003								
⁷ ogrið 16268				Cimare	Operator I ex Energy Co.					*Elevation 3465' GR
¹⁰ Surface Location										
IL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st linc	County
K	30	24S	26E		1350	South	2050	West Ed		Eddy
			¹¹ Bo	ottom Ho	le Location If	f Different Fror	n Surface			
JL or lot no.	Section	n Township Range Lo		Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
К	30	245	26E	1378 South 1782 West				Eddy		
² Dedicated Acres	^v Joint or	Infill	"Consolidation	Code ¹⁸ Or	¹⁸ Order No.					
320					DHC Pending, NSL Pending					

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				¹⁷ OPERATOR CERTIFICATION
				Thereby certify that the information contains different is true and complete to
				He best of my knowledge and belief, and that this organization either owner a
				working interest or unleased moveral interest in the hard 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.
				Zon Lanis 8/12/2010
				Signature Date
				Zeno Farris
				Printed Name
Advantation and a second statements and a second statements of the seco				10
				¹⁸ SURVEYOR CERTIFICATION
				I hereby certify that the well location shown on this plat
			233 with	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.
	<u> </u>		1717-1	Date of Summer
				Date of Survey
VI.	1 Gates NCT-1 Fed 3			Signature and Seal of Professional Surveyor
SH	L & PP Wolfcamp 1350	FSL & 2050 FWL		
В⊢	IL @ PBTD 1378 FSL & 2	318 FWL		
	LC-06	5457		Centificate Number

JM Gates NCT 1 Fed 3 30-015-34030 Cimarex Energy Co. of Colorado August 27, 2010 Conditions of Approval

- 1. A plug must be set across the top of the Morrow Formation prior to selling the well or at final abandonment.
- 2. Surface disturbance beyond the originally approved pad must have prior approval.
- 3. Closed loop system required.
- 4. A minimum of a 5M BOP is required and must be tested prior to performing operations. 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.
- 5. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.
- 6. Completion report and subsequent sundry with zone allocations required.

CRW 082710