Form 3160-3
(June 2015)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☐ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☐ Multiple Zone

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

8. Lease Name and Well No.

[327312]

2. Name of Operator **[215099]**

9. API Well No. **30-025-48457**

3a. Address

3b. Phone No. *(include area code)*

10. Field and Pool, or Exploratory **[17644]**

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface

At proposed prod. zone

11. Sec., T. R. M. or Blk. and Survey or Area

14. Distance in miles and direction from nearest town or post office*

12. County or Parish

13. State

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
Title		
Approved by *(Signature)*	Name *(Printed/Typed)*	Date
Title	Office	

Application approval 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.
Conditions of approval, if any, are attached.

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.

GCP Rec 01/28/2021

02/06/2021

SL

APPROVED WITH CONDITIONS

Approval Date: 09/25/2020

(Continued on page 2)

*(Instructions on page 2)

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:
The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: SWSE / 468 FSL / 1740 FEL / TWSP: 23S / RANGE: 32E / SECTION: 3 / LAT: 32.2784544 / LONG: -103.6600985 (TVD: 0 feet, MD: 0 feet)
   PPP: SWSE / 491 FSL / 1980 FEL / TWSP: 23S / RANGE: 32E / SECTION: 3 / LAT: 32.3279149 / LONG: -103.6608763 (TVD: 11531 feet, MD: 11544 feet)
   BHL: NWNE / 100 FNL / 1980 FEL / TWSP: 23S / RANGE: 32E / SECTION: 3 / LAT: 32.340642 / LONG: -103.660392 (TVD: 12175 feet, MD: 16954 feet)

BLM Point of Contact

Name: Deborah Ham
Title: Legal Landlaw Examiner
Phone: 5752345965
Email: dham@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 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
1220 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	2 Pool Code	3 Pool Name
30-025-48457	17644	DIAMONDTAIL;BONE SPRING

4 Property Code	5 Property Name	6 Well Number
327312	RED TANK 3 FEDERAL	7H

7 OGRID No.	8 Operator Name	9 Elevation
215099	CIMAREX ENERGY CO.	3697.8'

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
O	3	23S	32E		468	SOUTH	1740	EAST	LEA

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
2	3	23S	32E		100	NORTH	1980	EAST	LEA

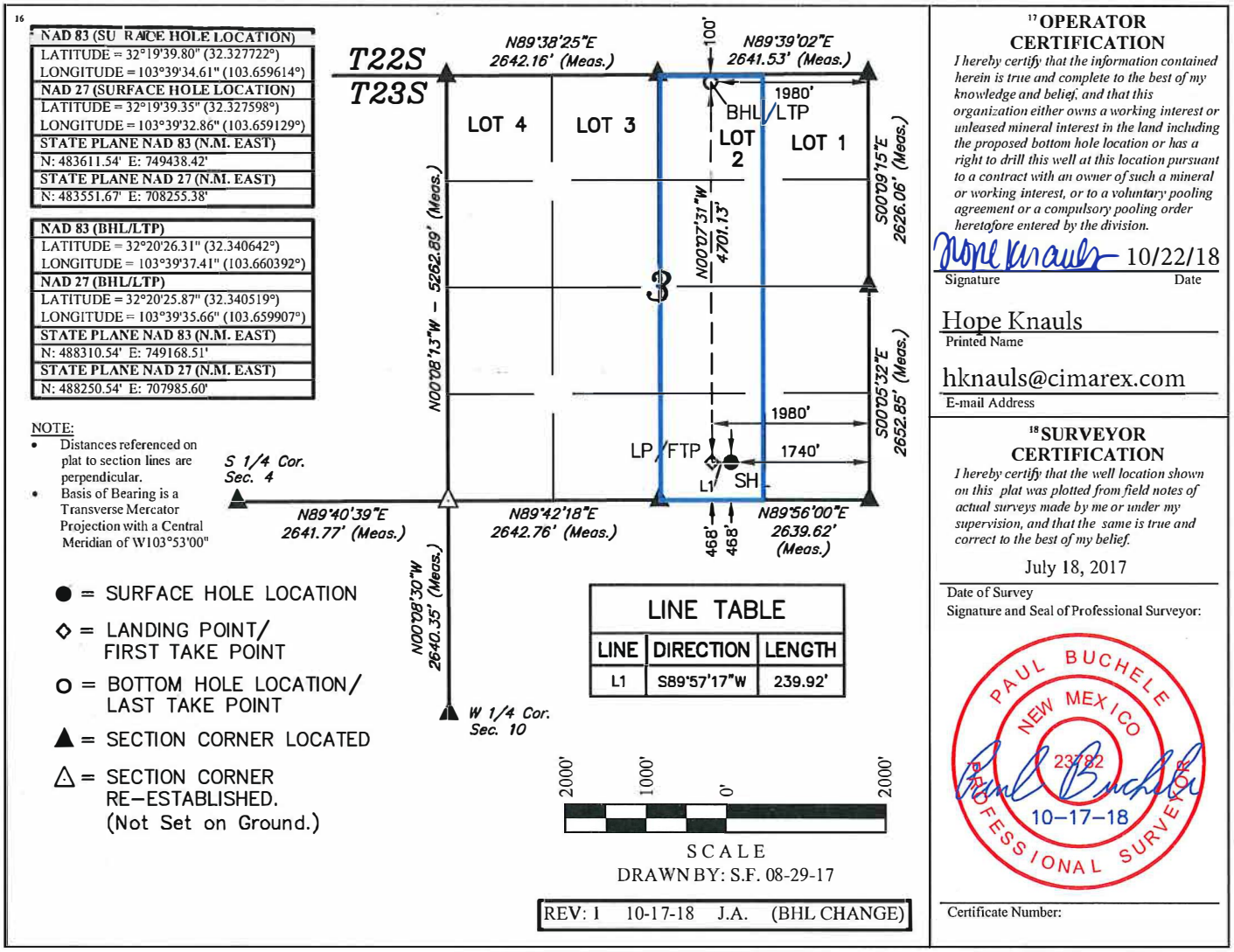
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
159.58			

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

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°19'39.80" (32.327722°)
LONGITUDE = 103°39'34.61" (103.659614°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°19'39.35" (32.327598°)
LONGITUDE = 103°39'32.86" (103.659129°)
STATE PLANE NAD 83 (N.M. EAST)
N: 483611.54' E: 749438.42'
STATE PLANE NAD 27 (N.M. EAST)
N: 483551.67' E: 708255.38'

NAD 83 (BHL/LTP)
LATITUDE = 32°20'26.31" (32.340642°)
LONGITUDE = 103°39'37.41" (103.660392°)
NAD 27 (BHL/LTP)
LATITUDE = 32°20'25.87" (32.340519°)
LONGITUDE = 103°39'35.66" (103.659907°)
STATE PLANE NAD 83 (N.M. EAST)
N: 488310.54' E: 749168.51'
STATE PLANE NAD 27 (N.M. EAST)
N: 488250.54' E: 707985.60'



NOTE:
- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

● = SURFACE HOLE LOCATION
◇ = LANDING POINT/ FIRST TAKE POINT
O = BOTTOM HOLE LOCATION/ LAST TAKE POINT
▲ = SECTION CORNER LOCATED
△ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S89°57'17"W	239.92'

2000' 1000' 0' 2000'

SCALE
DRAWN BY: S.F. 08-29-17

REV: 1 10-17-18 J.A. (BHL CHANGE)

17 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.

Hope Knauls 10/22/18
Signature Date

Hope Knauls
Printed Name

hknauls@cimarex.com
E-mail Address

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.

July 18, 2017
Date of Survey
Signature and Seal of Professional Surveyor:

PAUL BUCHELE NEW MEXICO 23782 PROFESSIONAL SURVEYOR 10-17-18

Certificate Number:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

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

Submit Original to Appropriate District Office

GAS CAPTURE PLAN

Date: 11/2/18

☒ Original Operator & OGRID No.: Cimarex Energy Co- 215099

☐ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Red Tank 3 Federal Com 7H	Pending **30-025-48457**	P, 3-23S-32E	468 FSL & 1740 FEL	2500		

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Enlink and will be connected to Enlink low/high pressure gathering system located in _Lea___ County, New Mexico. It will require _7920_' of pipeline to connect the facility to low/high pressure gathering system. Operator provides (periodically) to Enlink a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Cimarex and Enlink have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enlink Processing Plant located in Sec 13-24S-33E , _Lea_ County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enlink system at that time. Based on current information, it is Cimarex belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

1. Geological Formations

TVD of target 12,175
MD at TD 16,954

Pilot Hole TD N/A
Deepest expected fresh water

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone	Hazards
RUSTLER	1194	N/A	
CASTILLE	3616	N/A	
LAMAR	4854	N/A	
BELL CANYON	4910	N/A	
CHERRY CANYON	5847	N/A	
BRUSHY CANYON	6993	N/A	
BONE SPRING	8720	Hydrocarbons	
1ST BS SAND	9890	Hydrocarbons	
BONE SPRING 2ND SAND	10090	Hydrocarbons	
3RD_BSS	11004	Hydrocarbons	
3rd Bone Spring Target	12275	Hydrocarbons	
Wolfcamp	12310	N/A	

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To	Setting Depth TVD	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
14 3/4	0	1250	1250	10-3/4"	40.50	J-55	BT&C	2.76	5.47	12.42
9 7/8	0	12553	12275	7-5/8"	29.70	L-80	LT&C	2.52	1.20	1.55
6 3/4	0	11813	11813	5-1/2"	20.00	P-110	LT&C	1.45	1.65	2.50
6 3/4	11813	16954	12175	5"	18.00	P-110	BT&C	1.70	1.72	89.01
					BLM Minimum Safety Factor			1.125	1	1.6 Dry 1.8 Wet

TVD was used on all calculations.
All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Request Variance for 5-1/2" x 7-5/8" annular clearance. The portion that does not meet clearance will not be cemented

	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
Is AC Report included?	Y

3. Cementing Program

Casing	# Sks	Wt. lb/gal	Yld ft3/sack	H2O gal/sk	500# Comp. Strength (hours)	Slurry Description
Surface	485	13.50	1.72	9.15	15.5	Lead: Class C + Bentonite
	130	14.80	1.34	6.32	9.5	Tail: Class C + LCM
Intermediate	993	10.30	3.64	22.18		Lead: Tuned Light + LCM
	44	9.20	6.18	28.80		Tail: Class C + Extender + Salt + Strength Enhancement + LCM + Fluid Loss + Retarder
Production	556	14.20	1.30	5.86	14:30	Tail: 50:50 (Poz:H) + Salt + Bentonite + Fluid Loss + Dispersant + SMS

Casing String	TOC	% Excess
Surface	0	45
Intermediate	0	49
Production	12300	25

Cimarex request the ability to perform casing integrity tests after plug bump of cement job.

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
9 7/8	13 5/8	5M	Annular	X	50% of working pressure
			Blind Ram		5M
			Pipe Ram	X	
			Double Ram	X	
			Other		
6 3/4	13 5/8	10M	Annular	X	50% of working pressure
			Blind Ram		10M
			Pipe Ram	X	
			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 1250'	FW Spud Mud	8.30 - 8.80	30-32	N/C
1250' to 12553'	Brine Diesel Emulsion	8.50 - 9.00	30-35	N/C
12553' to 16954'	OBM	12.00 - 12.50	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.

The Brine Emulsion is completely saturated brine fluid that ties diesel into itself to lower the weight of the fluid. The drilling fluid is completely salt saturated.

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	
	Will run GR/CNL fromTD 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	7913 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	H2S is present
X	H2S plan is attached

8. Other Facets of Operation

9. Wellhead

A multi-bowl wellhead system will be utilized.

After running the 10-3/4" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 10000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 10000 psi test. Annular will be tested to 50% of working pressure. The pressure test will be repeated at least every 30 days, as per Onshore Order No. 2.

The multi-bowl wellhead will be installed by vendor's representative. A copy of the installation instructions has been sent to the BLM field office.

The wellhead will be installed by a third-party welder while being monitored by the wellhead vendor representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 10000 psi.

All casing strings will be tested as per Onshore Order No.2 to atleast 0.22 psi/ft or 1,500 whichever is greater and not to exceed 70% of casing burst.

If well conditions dictate conventional slips will be set and BOPE will be tested to appropriate pressures based on permitted pressure requirements.

Schlumberger

Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20 Proposal Geodetic Report

(Def Plan)

CIMAREX

Report Date:	May 05, 2020 - 12:50 PM	**Survey / DLS Computation:**	Minimum Curvature / Lubinski
Client:	Cimarex	**Vertical Section Azimuth:**	359.637 ° (Grid North)
Field:	NM Lea County (NAD 83)	**Vertical Section Origin:**	0.000 ft, 0.000 ft
Structure / Slot:	Cimarex Red Tank 3 Federal #7H / Cimarex Red Tank 3 Federal #7H	**TVD Reference Datum:**	RKB
Well:	Cimarex Red Tank 3 Federal #7H	**TVD Reference Elevation:**	3723.800 ft above MSL
Borehole:	Original Borehole	**Seabed / Ground Elevation:**	3697.800 ft above MSL
UWI / API#:	Unknown / Unknown	**Magnetic Declination:**	6.636 °
Survey Name:	Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20	**Total Gravity Field Strength:**	998.4419mgn (9.80665 Based)
Survey Date:	May 05, 2020	**Gravity Model:**	GARM
Tort / AHD / DDI / ERD Ratio:	104.632 ° / 5158.581 ft / 5.872 / 0.420	**Total Magnetic Field Strength:**	47903.914 nT
Coordinate Reference System:	NAD83 New Mexico State Plane, Eastern Zone, US Feet	**Magnetic Dip Angle:**	60.029 °
Location Lat / Long:	N 32° 19' 39.79749", W 103° 39' 34.60861"	**Declination Date:**	May 05, 2020
Location Grid N/E Y/X:	N 483611.540 ftUS, E 749438.420 ftUS	**Magnetic Declination Model:**	HDGM 2020
CRS Grid Convergence Angle:	0.3603 °	**North Reference:**	Grid North
Grid Scale Factor:	0.99995869	**Grid Convergence Used:**	0.3603 °
Version / Patch:	2.10.811.0	**Total Corr Mag North->Grid North:**	6.2754 °
		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 [468' FSL, 1740' FEL]	0.00	0.00	356.71	0.00	0.00	0.00	0.00	N/A	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	100.00	0.00	235.00	100.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	200.00	0.00	235.00	200.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	300.00	0.00	235.00	300.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	400.00	0.00	235.00	400.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	500.00	0.00	235.00	500.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	600.00	0.00	235.00	600.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	700.00	0.00	235.00	700.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	800.00	0.00	235.00	800.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	900.00	0.00	235.00	900.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1000.00	0.00	235.00	1000.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1100.00	0.00	235.00	1100.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
Rustler	*1194.00*	*0.00*	*235.00*	*1194.00*	*0.00*	*0.00*	*0.00*	*0.00*	*483611.54*	*749438.42*	*N 32 19 39.80*	*W 103 39 34.61*
	1200.00	0.00	235.00	1200.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1300.00	0.00	235.00	1300.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1400.00	0.00	235.00	1400.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1500.00	0.00	235.00	1500.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1600.00	0.00	235.00	1600.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1700.00	0.00	235.00	1700.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1800.00	0.00	235.00	1800.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	1900.00	0.00	235.00	1900.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
Nudge 2°/100' DLS	2000.00	0.00	235.00	2000.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
	2100.00	2.00	235.00	2099.98	-0.99	-1.00	-1.43	2.00	483610.54	749436.99	N 32 19 39.79	W 103 39 34.63
	2200.00	4.00	235.00	2199.84	-3.97	-4.00	-5.72	2.00	483607.54	749432.70	N 32 19 39.76	W 103 39 34.68
	2300.00	6.00	235.00	2299.45	-8.92	-9.00	-12.86	2.00	483602.54	749425.57	N 32 19 39.71	W 103 39 34.76
Hold Nudge	2333.10	6.66	235.00	2332.35	-10.99	-11.10	-15.85	2.00	483600.45	749422.58	N 32 19 39.69	W 103 39 34.79
	2400.00	6.66	235.00	2398.80	-15.41	-15.55	-22.20	0.00	483595.99	749416.22	N 32 19 39.65	W 103 39 34.87
	2500.00	6.66	235.00	2498.12	-22.00	-22.20	-31.71	0.00	483589.34	749406.72	N 32 19 39.58	W 103 39 34.98
	2600.00	6.66	235.00	2597.45	-28.59	-28.86	-41.21	0.00	483582.69	749397.21	N 32 19 39.51	W 103 39 35.09
	2700.00	6.66	235.00	2696.77	-35.19	-35.51	-50.71	0.00	483576.03	749387.71	N 32 19 39.45	W 103 39 35.20
	2800.00	6.66	235.00	2796.10	-41.78	-42.16	-60.22	0.00	483569.38	749378.21	N 32 19 39.38	W 103 39 35.31
	2900.00	6.66	235.00	2895.42	-48.37	-48.82	-69.72	0.00	483562.72	749368.70	N 32 19 39.32	W 103 39 35.42
	3000.00	6.66	235.00	2994.75	-54.97	-55.47	-79.22	0.00	483556.07	749359.20	N 32 19 39.25	W 103 39 35.54
	3100.00	6.66	235.00	3094.07	-61.56	-62.13	-88.72	0.00	483549.42	749349.70	N 32 19 39.19	W 103 39 35.65
	3200.00	6.66	235.00	3193.40	-68.16	-68.78	-98.23	0.00	483542.76	749340.20	N 32 19 39.12	W 103 39 35.76
	3300.00	6.66	235.00	3292.72	-74.75	-75.43	-107.73	0.00	483536.11	749330.69	N 32 19 39.06	W 103 39 35.87
	3400.00	6.66	235.00	3392.05	-81.34	-82.09	-117.23	0.00	483529.46	749321.19	N 32 19 38.99	W 103 39 35.98
	3500.00	6.66	235.00	3491.37	-87.94	-88.74	-126.74	0.00	483522.80	749311.69	N 32 19 38.93	W 103 39 36.09
	3600.00	6.66	235.00	3590.70	-94.53	-95.40	-136.24	0.00	483516.15	749302.19	N 32 19 38.86	W 103 39 36.20
Castille	*3625.48*	*6.66*	*235.00*	*3616.00*	*-96.21*	*-97.09*	*-138.66*	*0.00*	*483514.45*	*749299.76*	*N 32 19 38.85*	*W 103 39 36.23*
	3700.00	6.66	235.00	3690.02	-101.13	-102.05	-145.74	0.00	483509.49	749292.68	N 32 19 38.80	W 103 39 36.31
	3800.00	6.66	235.00	3789.35	-107.72	-108.71	-155.25	0.00	483502.84	749283.18	N 32 19 38.73	W 103 39 36.43
	3900.00	6.66	235.00	3888.67	-114.31	-115.36	-164.75	0.00	483496.19	749273.68	N 32 19 38.67	W 103 39 36.54
	4000.00	6.66	235.00	3987.99	-120.91	-122.01	-174.25	0.00	483489.53	749264.17	N 32 19 38.60	W 103 39 36.65
	4100.00	6.66	235.00	4087.32	-127.50	-128.67	-183.76	0.00	483482.88	749254.67	N 32 19 38.54	W 103 39 36.76
	4200.00	6.66	235.00	4186.64	-134.09	-135.32	-193.26	0.00	483476.22	749245.17	N 32 19 38.47	W 103 39 36.87
	4300.00	6.66	235.00	4285.97	-140.69	-141.98	-202.76	0.00	483469.57	749235.67	N 32 19 38.41	W 103 39 36.98
	4400.00	6.66	235.00	4385.29	-147.28	-148.63	-212.27	0.00	483462.92	749226.16	N 32 19 38.34	W 103 39 37.09
	4500.00	6.66	235.00	4484.62	-153.88	-155.28	-221.77	0.00	483456.26	749216.66	N 32 19 38.27	W 103 39 37.20
Drop to Vertical 2°/100' DLS	4515.49	6.66	235.00	4500.00	-154.90	-156.31	-223.24	0.00	483455.23	749215.19	N 32 19 38.26	W 103 39 37.22
	4600.00	4.97	235.00	4584.08	-159.77	-161.23	-230.26	2.00	483450.32	749208.17	N 32 19 38.22	W 103 39 37.30
	4700.00	2.97	235.00	4683.83	-163.70	-165.20	-235.93	2.00	483446.35	749202.50	N 32 19 38.18	W 103 39 37.37
	4800.00	0.97	235.00	4783.77	-165.66	-167.17	-238.75	2.00	483444.37	749199.68	N 32 19 38.16	W 103 39 37.40
Hold Vertical	4848.59	0.00	235.00	4832.35	-165.89	-167.41	-239.09	2.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
Lamar	*4870.24*	*0.00*	*235.00*	*4854.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	4900.00	0.00	235.00	4883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
Bell Canyon	*4926.24*	*0.00*	*235.00*	*4910.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	5000.00	0.00	235.00	4983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5100.00	0.00	235.00	5083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5200.00	0.00	235.00	5183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5300.00	0.00	235.00	5283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5400.00	0.00	235.00	5383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5500.00	0.00	235.00	5483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5600.00	0.00	235.00	5583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5700.00	0.00	235.00	5683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	5800.00	0.00	235.00	5783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
Cherry Canyon	*5863.24*	*0.00*	*235.00*	*5847.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	5900.00	0.00	235.00	5883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6000.00	0.00	235.00	5983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6100.00	0.00	235.00	6083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6200.00	0.00	235.00	6183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6300.00	0.00	235.00	6283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6400.00	0.00	235.00	6383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6500.00	0.00	235.00	6483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41

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 ° ' ")
	6600.00	0.00	235.00	6583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6700.00	0.00	235.00	6683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6800.00	0.00	235.00	6783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	6900.00	0.00	235.00	6883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7000.00	0.00	235.00	6983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
Brushy Canyon	*7009.24*	*0.00*	*235.00*	*6993.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	7100.00	0.00	235.00	7083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7200.00	0.00	235.00	7183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7300.00	0.00	235.00	7283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7400.00	0.00	235.00	7383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7500.00	0.00	235.00	7483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7600.00	0.00	235.00	7583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7700.00	0.00	235.00	7683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7800.00	0.00	235.00	7783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	7900.00	0.00	235.00	7883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8000.00	0.00	235.00	7983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8100.00	0.00	235.00	8083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8200.00	0.00	235.00	8183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8300.00	0.00	235.00	8283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8400.00	0.00	235.00	8383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8500.00	0.00	235.00	8483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8600.00	0.00	235.00	8583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8700.00	0.00	235.00	8683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
Bone Spring	*8736.24*	*0.00*	*235.00*	*8720.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	8800.00	0.00	235.00	8783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	8900.00	0.00	235.00	8883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9000.00	0.00	235.00	8983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9100.00	0.00	235.00	9083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9200.00	0.00	235.00	9183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9300.00	0.00	235.00	9283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9400.00	0.00	235.00	9383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9500.00	0.00	235.00	9483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9600.00	0.00	235.00	9583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9700.00	0.00	235.00	9683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9800.00	0.00	235.00	9783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	9900.00	0.00	235.00	9883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
1st Bone Spring Sand	*9906.24*	*0.00*	*235.00*	*9890.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	10000.00	0.00	235.00	9983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10100.00	0.00	235.00	10083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
2nd Bone Spring Shale	*10106.24*	*0.00*	*235.00*	*10090.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	10200.00	0.00	235.00	10183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10300.00	0.00	235.00	10283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10400.00	0.00	235.00	10383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10500.00	0.00	235.00	10483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10600.00	0.00	235.00	10583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10700.00	0.00	235.00	10683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10800.00	0.00	235.00	10783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	10900.00	0.00	235.00	10883.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11000.00	0.00	235.00	10983.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
3rd Bone Spring Carb	*11020.24*	*0.00*	*235.00*	*11004.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
	11100.00	0.00	235.00	11083.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11200.00	0.00	235.00	11183.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11300.00	0.00	235.00	11283.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11400.00	0.00	235.00	11383.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11500.00	0.00	235.00	11483.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11600.00	0.00	235.00	11583.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11700.00	0.00	235.00	11683.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11800.00	0.00	235.00	11783.76	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
3rd Bone Spring Sand	*11802.24*	*0.00*	*235.00*	*11786.00*	*-165.89*	*-167.41*	*-239.09*	*0.00*	*483444.14*	*749199.34*	*N 32 19 38.16*	*W 103 39 37.41*
KOP - Build 12°/100' DLS	11813.90	0.00	235.00	11797.66	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
	11900.00	10.33	359.64	11883.30	-158.15	-159.67	-239.14	12.00	483451.88	749199.30	N 32 19 38.23	W 103 39 37.41
	12000.00	22.33	359.64	11979.09	-130.08	-131.60	-239.31	12.00	483479.95	749199.12	N 32 19 38.51	W 103 39 37.41
	12100.00	34.33	359.64	12066.95	-82.71	-84.23	-239.61	12.00	483527.32	749198.82	N 32 19 38.98	W 103 39 37.41
	12200.00	46.33	359.64	12143.04	-18.10	-19.62	-240.02	12.00	483591.92	749198.41	N 32 19 39.62	W 103 39 37.41
	12300.00	58.33	359.64	12204.03	60.91	59.39	-240.52	12.00	483670.92	749197.91	N 32 19 40.40	W 103 39 37.41
	12400.00	70.33	359.64	12247.27	150.88	149.35	-241.09	12.00	483760.89	749197.34	N 32 19 41.29	W 103 39 37.41
	12500.00	82.33	359.64	12270.86	247.87	246.34	-241.71	12.00	483857.87	749196.72	N 32 19 42.25	W 103 39 37.41
3rd BSPG Sand Target	*12552.99*	*88.69*	*359.64*	*12275.00*	*300.67*	*299.14*	*-242.04*	*12.00*	*483910.67*	*749196.39*	*N 32 19 42.77*	*W 103 39 37.41*
3rd BSPG Sand Target Landing Point	12574.80	91.31	359.64	12275.00	322.48	320.95	-242.18	12.00	483932.47	749196.25	N 32 19 42.99	W 103 39 37.41
	12600.00	91.31	359.64	12274.42	347.67	346.14	-242.34	0.00	483957.67	749196.09	N 32 19 43.24	W 103 39 37.41
	12700.00	91.31	359.64	12272.14	447.64	446.11	-242.97	0.00	484057.63	749195.46	N 32 19 44.23	W 103 39 37.41
	12800.00	91.31	359.64	12269.86	547.62	546.09	-243.61	0.00	484157.60	749194.82	N 32 19 45.22	W 103 39 37.41
	12900.00	91.31	359.64	12267.57	647.59	646.06	-244.24	0.00	484257.57	749194.19	N 32 19 46.21	W 103 39 37.41
	13000.00	91.31	359.64	12265.29	747.57	746.03	-244.87	0.00	484357.54	749193.56	N 32 19 47.19	W 103 39 37.41
	13100.00	91.31	359.64	12263.01	847.54	846.00	-245.51	0.00	484457.50	749192.92	N 32 19 48.18	W 103 39 37.41
	13200.00	91.31	359.64	12260.72	947.51	945.97	-246.14	0.00	484557.47	749192.29	N 32 19 49.17	W 103 39 37.41
	13300.00	91.31	359.64	12258.44	1047.49	1045.94	-246.77	0.00	484657.44	749191.66	N 32 19 50.16	W 103 39 37.41
	13400.00	91.31	359.64	12256.16	1147.46	1145.92	-247.41	0.00	484757.41	749191.02	N 32 19 51.15	W 103 39 37.41
	13500.00	91.31	359.64	12253.87	1247.44	1245.89	-248.04	0.00	484857.37	749190.39	N 32 19 52.14	W 103 39 37.41
	13600.00	91.31	359.64	12251.59	1347.41	1345.86	-248.67	0.00	484957.34	749189.76	N 32 19 53.13	W 103 39 37.41
	13700.00	91.31	359.64	12249.31	1447.38	1445.83	-249.31	0.00	485057.31	749189.12	N 32 19 54.12	W 103 39 37.41
	13800.00	91.31	359.64	12247.02	1547.36	1545.80	-249.94	0.00	485157.28	749188.49	N 32 19 55.11	W 103 39 37.41
	13900.00	91.31	359.64	12244.74	1647.33	1645.78	-250.57	0.00	485257.25	749187.86	N 32 19 56.10	W 103 39 37.41
	14000.00	91.31	359.64	12242.46	1747.30	1745.75	-251.21	0.00	485357.21	749187.22	N 32 19 57.09	W 103 39 37.41
	14100.00	91.31	359.64	12240.17	1847.28	1845.72	-251.84	0.00	485457.18	749186.59	N 32 19 58.08	W 103 39 37.41
	14200.00	91.31	359.64	12237.89	1947.25	1945.69	-252.48	0.00	485557.15	749185.96	N 32 19 59.07	W 103 39 37.41
	14300.00	91.31	359.64	12235.61	2047.23	2045.66	-253.11	0.00	485657.12	749185.32	N 32 20 0.05	W 103 39 37.41
	14400.00	91.31	359.64	12233.32	2147.20	2145.64	-253.74	0.00	485757.08	749184.69	N 32 20 1.04	W 103 39 37.41
	14500.00	91.31	359.64	12231.04	2247.17	2245.61	-254.38	0.00	485857.05	749184.06	N 32 20 2.03	W 103 39 37.41
	14600.00	91.31	359.64	12228.76	2347.15	2345.58	-255.01	0.00	485957.02	749183.42	N 32 20 3.02	W 103 39 37.41
	14700.00	91.31	359.64	12226.47	2447.12	2445.55	-255.64	0.00	486056.99	749182.79	N 32 20 4.01	W 103 39 37.41
	14800.00	91.31	359.64	12224.19	2547.10	2545.52	-256.28	0.00	486156.95	749182.16	N 32 20 5.00	W 103 39 37.41
	14900.00	91.31	359.64	12221.91	2647.07	2645.50	-256.91	0.00	486256.92	749181.52	N 32 20 5.99	W 103 39 37.41
	15000.00	91.31	359.64	12219.62	2747.04	2745.47	-257.54	0.00	486356.89	749180.89	N 32 20 6.98	W 103 39 37.41
	15100.00	91.31	359.64	12217.34	2847.02	2845.44	-258.18	0.00	486456.86	749180.26	N 32 20 7.97	W 103 39 37.41
	15200.00	91.31	359.64	12215.06	2946.99	2945.41	-258.81	0.00	486556.82	749179.62	N 32 20 8.96	W 103 39 37.41
	15300.00	91.31	359.64	12212.77	3046.97	3045.38	-259.44	0.00	486656.79	749178.99	N 32 20 9.95	W 103 39 37.41
	15400.00	91.31	359.64	12210.49	3146.94	3145.36	-260.08	0.00	486756.76	749178.36	N 32 20 10.94	W 103 39 37.41
	15500.00	91.31	359.64	12208.21	3246.91	3245.33	-260.71	0.00	486856.73	749177.72	N 32 20 11.93	W 103 39 37.41
	15600.00	91.31	359.64	12205.92	3346.89	3345.30	-261.34	0.00	486956.69	749177.09	N 32 20 12.91	W 103 39 37.41
	15700.00	91.31	359.64	12203.64	3446.86	3445.27	-261.98	0.00	487056.66	749176.45	N 32 20 13.90	W 103 39 37.41

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 ° ' ")
	15800.00	91.31	359.64	12201.36	3546.84	3545.24	-262.61	0.00	487156.63	749175.82	N 32 20 14.89	W 103 39 37.41
	15900.00	91.31	359.64	12199.07	3646.81	3645.21	-263.24	0.00	487256.60	749175.19	N 32 20 15.88	W 103 39 37.41
	16000.00	91.31	359.64	12196.79	3746.78	3745.19	-263.88	0.00	487356.56	749174.55	N 32 20 16.87	W 103 39 37.41
	16100.00	91.31	359.64	12194.51	3846.76	3845.16	-264.51	0.00	487456.53	749173.92	N 32 20 17.86	W 103 39 37.41
	16200.00	91.31	359.64	12192.22	3946.73	3945.13	-265.14	0.00	487556.50	749173.29	N 32 20 18.85	W 103 39 37.41
	16300.00	91.31	359.64	12189.94	4046.71	4045.10	-265.78	0.00	487656.47	749172.65	N 32 20 19.84	W 103 39 37.41
	16400.00	91.31	359.64	12187.66	4146.68	4145.07	-266.41	0.00	487756.43	749172.02	N 32 20 20.83	W 103 39 37.41
	16500.00	91.31	359.64	12185.37	4246.65	4245.05	-267.04	0.00	487856.40	749171.39	N 32 20 21.82	W 103 39 37.41
	16600.00	91.31	359.64	12183.09	4346.63	4345.02	-267.68	0.00	487956.37	749170.75	N 32 20 22.81	W 103 39 37.41
	16700.00	91.31	359.64	12180.81	4446.60	4444.99	-268.31	0.00	488056.34	749170.12	N 32 20 23.80	W 103 39 37.41
	16800.00	91.31	359.64	12178.52	4546.57	4544.96	-268.94	0.00	488156.31	749169.49	N 32 20 24.79	W 103 39 37.41
	16900.00	91.31	359.64	12176.24	4646.55	4644.93	-269.58	0.00	488256.27	749168.85	N 32 20 25.77	W 103 39 37.41
Cimarex Red Tank 3 Federal #7H - PBHL [100' FNL, 1980' FEL]	16954.28	91.31	359.64	12175.00	4700.82	4699.20	-269.92	0.00	488310.54	749168.51	N 32 20 26.31	W 103 39 37.41

Survey Type: 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	26.000	1/100.000	17.500	13.375		NAL_MWD_IFR1+MS-Depth Only	Original Borehole / Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20
	1	26.000	16954.285	1/100.000	17.500	13.375		NAL_MWD_IFR1+MS	Original Borehole / Cimarex Red Tank 3 Federal #7H Rev2 RM

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Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20 Proposal Geodetic Report

(Def Plan)

CIMAREX

Report Date:	May 05, 2020 - 12:50 PM	**Survey / DLS Computation:**	Minimum Curvature / Lubinski
Client:	Cimarex	**Vertical Section Azimuth:**	359.637 ° (Grid North)
Field:	NM Lea County (NAD 83)	**Vertical Section Origin:**	0.000 ft, 0.000 ft
Structure / Slot:	Cimarex Red Tank 3 Federal #7H / Cimarex Red Tank 3 Federal #7H	**TVD Reference Datum:**	RKB
Well:	Cimarex Red Tank 3 Federal #7H	**TVD Reference Elevation:**	3723.800 ft above MSL
Borehole:	Original Borehole	**Seabed / Ground Elevation:**	3697.800 ft above MSL
UWI / API#:	Unknown / Unknown	**Magnetic Declination:**	6.636 °
Survey Name:	Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20	**Total Gravity Field Strength:**	998.4419mgn (9.80665 Based)
Survey Date:	May 05, 2020	**Gravity Model:**	GARM
Tort / AHD / DDI / ERD Ratio:	104.632 ° / 5158.581 ft / 5.872 / 0.420	**Total Magnetic Field Strength:**	47903.914 nT
Coordinate Reference System:	NAD83 New Mexico State Plane, Eastern Zone, US Feet	**Magnetic Dip Angle:**	60.029 °
Location Lat / Long:	N 32° 19' 39.79749", W 103° 39' 34.60861"	**Declination Date:**	May 05, 2020
Location Grid N/E Y/X:	N 483611.540 ftUS, E 749438.420 ftUS	**Magnetic Declination Model:**	HDGM 2020
CRS Grid Convergence Angle:	0.3603 °	**North Reference:**	Grid North
Grid Scale Factor:	0.99995869	**Grid Convergence Used:**	0.3603 °
Version / Patch:	2.10.811.0	**Total Corr Mag North->Grid North:**	6.2754 °
		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 [468' FSL, 1740' FEL]	0.00	0.00	356.71	0.00	0.00	0.00	0.00	N/A	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
Nudge 2°/100' DLS	2000.00	0.00	235.00	2000.00	0.00	0.00	0.00	0.00	483611.54	749438.42	N 32 19 39.80	W 103 39 34.61
Hold Nudge	2333.10	6.66	235.00	2332.35	-10.99	-11.10	-15.85	2.00	483600.45	749422.58	N 32 19 39.69	W 103 39 34.79
Drop to Vertical 2°/100' DLS	4515.49	6.66	235.00	4500.00	-154.90	-156.31	-223.24	0.00	483455.23	749215.19	N 32 19 38.26	W 103 39 37.22
Hold Vertical	4848.59	0.00	235.00	4832.35	-165.89	-167.41	-239.09	2.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
KOP - Build 12°/100' DLS	11813.90	0.00	235.00	11797.66	-165.89	-167.41	-239.09	0.00	483444.14	749199.34	N 32 19 38.16	W 103 39 37.41
Landing Point	12574.80	91.31	359.64	12275.00	322.48	320.95	-242.18	12.00	483932.47	749196.25	N 32 19 42.99	W 103 39 37.41
Cimarex Red Tank 3 Federal #7H - PBHL [100' FNL, 1980' FEL]	16954.28	91.31	359.64	12175.00	4700.82	4699.20	-269.92	0.00	488310.54	749168.51	N 32 20 26.31	W 103 39 37.41

Survey Type: 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	26.000	1/100.000	17.500	13.375		NAL_MWD_IFR1+MS-Depth Only	Original Borehole / Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20
	1	26.000	16954.285	1/100.000	17.500	13.375		NAL_MWD_IFR1+MS	Original Borehole / Cimarex Red Tank 3 Federal #7H Rev2 RM

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Cimarex

Rev 0

CIMAREX

Borehole:	Well:	Field:	Structure:
Original Borehole	Cimarex Red Tank 3 Federal #7H	NM Lea County (NAD 83)	Cimarex Red Tank 3 Federal #7H

Gravity & Magnetic Parameters
Model: HDGM 2020 | Dip: 60.029° | Date: 05-May-2020
MagDec: 6.636° | FS: 47903.914nT | Gravity FS: 998.442mgn (9.80665 Based)

Surface Location NAD83 New Mexico State Plane, Eastern Zone, US Feet
Lat: N 32 19 39.80 | Northing: 483611.54ftUS | Grid Conv: 0.3603°
Lon: W 103 39 34.61 | Easting: 749438.42ftUS | Scale Fact: 0.99995869

Miscellaneous
Slot: Cimarex Red Tank 3 Federal #7H | TVD Ref: RKB(3723.8ft above MSL)
Plan: Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20

Critical Points

Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
SHL [468' FSL, 1740' FEL]	0.00	0.00	356.71	0.00	0.00	0.00	0.00	
Rustler	1194.00	0.00	235.00	1194.00	0.00	0.00	0.00	0.00
Nudge 2°/100' DLS	2000.00	0.00	235.00	2000.00	0.00	0.00	0.00	0.00
Hold Nudge	2333.10	6.66	235.00	2332.35	-10.99	-11.10	-15.85	2.00
Castille	3625.48	6.66	235.00	3616.00	-96.21	-97.09	-138.66	0.00
Drop to Vertical 2°/100' DLS	4515.49	6.66	235.00	4500.00	-154.90	-156.31	-223.24	0.00
Hold Vertical	4848.59	0.00	235.00	4832.35	-165.89	-167.41	-239.09	2.00
Lamar	4870.24	0.00	235.00	4854.00	-165.89	-167.41	-239.09	0.00
Bell Canyon	4926.24	0.00	235.00	4910.00	-165.89	-167.41	-239.09	0.00
Cherry Canyon	5863.24	0.00	235.00	5847.00	-165.89	-167.41	-239.09	0.00
Brushy Canyon	7009.24	0.00	235.00	6993.00	-165.89	-167.41	-239.09	0.00
Bone Spring	8736.24	0.00	235.00	8720.00	-165.89	-167.41	-239.09	0.00
1st Bone Spring Sand	9906.24	0.00	235.00	9890.00	-165.89	-167.41	-239.09	0.00
2nd Bone Spring Shale	10106.24	0.00	235.00	10090.00	-165.89	-167.41	-239.09	0.00
3rd Bone Spring Carb	11020.24	0.00	235.00	11004.00	-165.89	-167.41	-239.09	0.00
3rd Bone Spring Sand	11802.24	0.00	235.00	11786.00	-165.89	-167.41	-239.09	0.00
KOP - Build 12°/100' DLS	11813.90	0.00	235.00	11797.66	-165.89	-167.41	-239.09	0.00
3rd BSPG Sand Target	12552.99	88.69	359.64	12275.00	300.67	299.14	-242.04	12.00
Landing Point	12574.80	91.31	359.64	12275.00	322.48	320.95	-242.18	12.00
3rd BSPG Sand Target	12574.80	91.31	359.64	12275.00	322.48	320.95	-242.18	0.00
Cimarex Red Tank 3 Federal #7H - PBHL [100' FNL, 1980' FEL]	16954.28	91.31	359.64	12175.00	4700.82	4699.20	-269.92	0.00
Wolfcamp	NaN			12310.00				

Grid
True
Mag

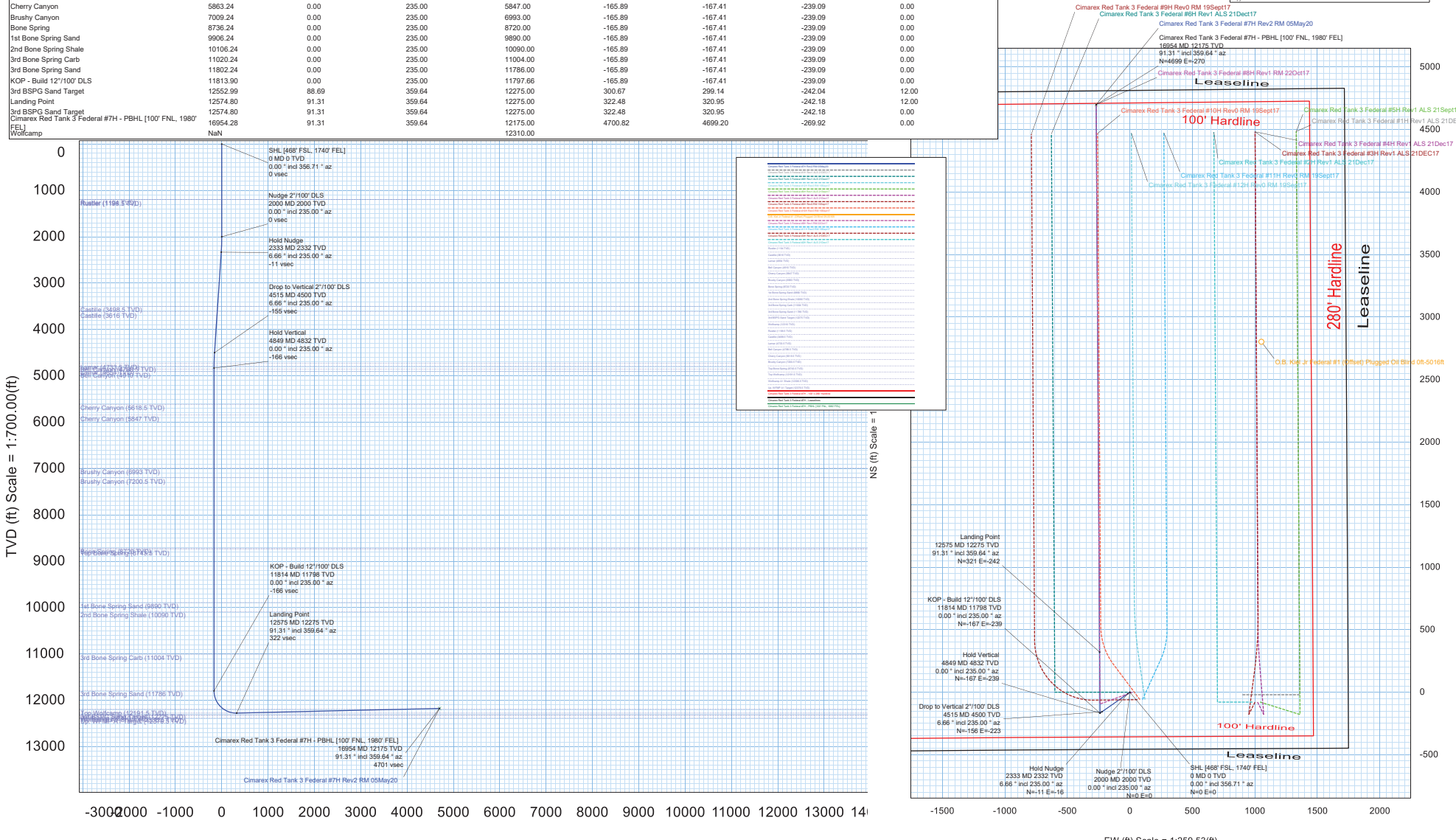
Grid North
Tot Corr (M->G 6.275°)
Mag Dec (6.636°)
Grid Conv (0.360°)

CONTROLLED

Plan ref	Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20
Drawing ref	
Copy number	of 3
Date	05-May-2020

1	Client	
2	Client	
3	Office	
4	Office	

Copy number for



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CIMAREX

Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20 Anti-Collision Summary Report

Analysis Date-24hr Time:	May 05, 2020 - 12:51	**Analysis Method:**	3D Least Distance
Client:	Cimarex	**Reference Trajectory:**	Cimarex Red Tank 3 Federal #7H Rev2 RM 05May20 (Def Plan)
Field:	NM Lea County (NAD 83)	**Depth Interval:**	Every 10.00 Measured Depth (ft)
Structure:	Cimarex Red Tank 3 Federal #7H	**Rule Set:**	D&M AntiCollision Standard S002 v5.1/5.2
Slot:	Cimarex Red Tank 3 Federal #7H	**Min Pts:**	All local minima indicated.
Well:	Cimarex Red Tank 3 Federal #7H	**Version / Patch:**	2.10.811.0
Borehole:	Original Borehole	**Database \ Project:**	us1153APP452.DIR.SLB.COM\DRILLING-NM Lea County 2.10
Scan MD Range:	0.00ft ~ 16954.28ft		

Trajectory Error Model: ISCWSA0 3-D 95.000% Confidence 2.7955 sigma, for subject well. For offset wells, error model version is specified with each well respectively.

Offset Trajectories Summary

Offset Selection Criteria
Wellhead distance scan: Not performed!
Selection filters: 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 Trajectory	Separation			Allow	Sep.	Controlling	Reference Trajectory		Risk Level			Alert	Status
	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
Cimarex Red Tank 3 Federal #8H Rev1 RM 22Oct17 (Def Plan)													Fail Major
	20.30	16.50	19.01	3.80	N/A	MAS = 5.03 (m)	0.00	0.00	CtCt<=15m<15.00			Enter Alert	
	20.30	16.50	19.01	3.80	21395.11	MAS = 5.03 (m)	26.00	26.00				WRP	
	20.30	19.55	6.84	0.75	1.56	OSF1.50	2000.00	2000.00				MinPt-CtCt	
	20.32	19.60	6.82	0.71	1.56	OSF1.50	2010.00	2010.00				MINPT-O-EOU	
	20.36	19.66	6.82	0.70	1.56	OSF1.50	2020.00	2020.00				MinPts	
	67.78	21.36	53.12	46.43	4.97	OSF1.50	2620.00	2617.31	OSF>5.00			Exit Alert	
	100.66	24.57	83.85	76.09	6.40	OSF1.50	4515.49	4500.00				MinPt-O-SF	
	81.78	25.59	64.30	56.20	4.97	OSF1.50	4990.00	4973.76	OSF<5.00			Enter Alert	
	72.89	25.68	55.34	47.21	4.40	OSF1.50	5320.00	5303.76				MinPt-O-SF	
	72.88	72.88	23.87	0.00	1.50	OSF1.50	11200.00	11183.76		OSF<1.50		Enter Minor	
	72.88	77.42	20.84	-4.54	1.41	OSF1.50	11700.00	11683.76				MinPt-CtCt	
	72.90	77.52	20.79	-4.62	1.41	OSF1.50	11710.00	11693.76				MinPts	
	76.61	77.83	24.30	-1.22	1.48	OSF1.50	11770.00	11753.76		OSF>1.50		Exit Minor	
	51.76	52.23	16.52	-0.46	1.49	OSF1.50	13610.00	12251.36		OSF<1.50		Enter Minor	
	42.40	63.50	-0.36	-21.10	0.99	OSF1.50	14020.00	12242.00			OSF<1.00	Enter Major	
	0.07	118.18	-79.20	-118.11	-0.02	OSF1.50	15880.00	12199.53				MinPts	
	0.30	118.55	-79.22	-118.25	-0.01	OSF1.50	15890.00	12199.30				MINPT-O-EOU	
	24.60	150.66	-76.31	-126.06	0.23	OSF1.50	16954.28	12175.00				MinPt-O-ADP	
Cimarex Red Tank 3 Federal #6H Rev1 ALS 21Dect17 (Def Plan)													Warning Alert
	20.11	16.27	18.13	3.84	N/A	MAS = 4.96 (m)	0.00	0.00	CtCt<=15m<15.00			Enter Alert	
	19.84	16.27	17.86	3.57	N/A	MAS = 4.96 (m)	26.00	26.00				WRP	
	19.84	16.46	8.21	3.38	1.85	OSF1.50	1600.00	1600.00				MinPt-CtCt	
	19.89	16.61	8.16	3.28	1.84	OSF1.50	1620.00	1620.00				MinPts	
	19.96	16.68	8.19	3.29	1.84	OSF1.50	1630.00	1630.00				MinPt-O-SF	
	58.06	18.85	44.84	39.22	4.99	OSF1.50	2080.00	2079.99	OSF>5.00			Exit Alert	
	398.18	78.84	344.96	319.34	7.73	OSF1.50	11780.00	11763.76				MINPT-O-EOU	
	398.26	78.92	344.99	319.34	7.73	OSF1.50	11790.00	11773.76				MinPt-O-ADP	
	360.14	88.95	300.18	271.20	6.18	OSF1.50	13020.00	12264.83				MinPt-CtCt	
	361.80	110.07	287.76	251.73	4.99	OSF1.50	14530.00	12230.36	OSF<5.00			Enter Alert	
	370.06	151.82	268.19	218.25	3.68	OSF1.50	16730.00	12180.12				MinPts	
	370.45	152.13	268.37	218.32	3.68	OSF1.50	16740.00	12179.89				MinPt-O-SF	
	437.43	143.68	340.99	293.76	4.61	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #9H Rev0 RM 19Sept17 (Non-Def Plan)													Warning Alert
	84.95	32.81	82.97	52.14	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	84.95	32.81	82.97	52.14	15560.05	MAS = 10.00 (m)	26.00	26.00				WRP	
	84.95	32.81	70.80	52.14	6.81	MAS = 10.00 (m)	2000.00	2000.00				MinPts	
	85.07	32.81	70.68	52.26	6.70	MAS = 10.00 (m)	2060.00	2060.00				MINPT-O-EOU	
	85.64	32.81	71.03	52.83	6.63	MAS = 10.00 (m)	2140.00	2139.94				MinPt-O-SF	
	318.41	72.62	269.34	245.79	6.72	OSF1.50	9210.00	9193.76				MinPt-O-SF	
	176.88	55.56	139.18	121.32	4.90	OSF1.50	9490.00	9473.76	OSF<5.00			Enter Alert	
	104.53	75.04	53.85	29.49	2.11	OSF1.50	9650.00	9633.76				MinPts	
	169.18	54.81	131.98	114.37	4.75	OSF1.50	9790.00	9773.76	OSF>5.00			Exit Alert	
	2561.82	41.25	2533.66	2520.57	97.78	OSF1.50	12710.00	12271.91				MinPt-CtCt	
	2569.20	154.40	2465.61	2414.80	25.26	OSF1.50	16790.00	12178.75				MINPT-O-EOU	
	2569.26	154.47	2465.62	2414.79	25.25	OSF1.50	16800.00	12178.52				MinPt-O-ADP	
	2575.10	155.38	2470.86	2419.72	25.16	OSF1.50	16954.28	12175.00				MinPt-O-SF	
Cimarex Red Tank 3 Federal #12H Rev0 RM 19Sept17 (Def Plan)													Warning Alert
	134.26	32.81	132.28	101.45	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	134.26	32.81	132.27	101.45	12942.58	MAS = 10.00 (m)	26.00	26.00				WRP	
	134.26	32.81	120.09	101.45	10.86	MAS = 10.00 (m)	2000.00	2000.00				MinPts	
	134.29	32.81	120.05	101.48	10.79	MAS = 10.00 (m)	2020.00	2020.00				MINPT-O-EOU	
	135.11	32.81	120.56	102.30	10.59	MAS = 10.00 (m)	2100.00	2099.98				MinPt-O-SF	
	329.30	100.46	261.67	228.85	4.99	OSF1.50	12400.00	12247.27	OSF<5.00			Enter Alert	
	291.34	167.97	178.70	123.36	2.61	OSF1.50	16720.00	12180.35				MinPt-CtCt	
	291.40	168.16	178.63	123.24	2.61	OSF1.50	16730.00	12180.12				MinPts	
	371.64	149.75	271.15	221.89	3.75	OSF1.50	16954.28	12175.00				TD	
O.B. Kiel Jr Federal #1 (Offset) Plugged Oil Blind 0ft-5016ft (Def Survey)													Warning Alert
	2993.85	32.81	2992.83	2961.04	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	2993.84	32.81	2990.96	2961.03	1613.95	MAS = 10.00 (m)	26.00	26.00				WRP	
	2993.84	611.67	2585.72	2382.17	7.35	OSF1.50	2000.00	2000.00				MinPt-CtCt	
	3074.10	924.25	2457.59	2149.85	4.99	OSF1.50	3000.00	2994.75	OSF<5.00			Enter Alert	
	3238.80	1562.13	2197.05	1676.68	3.11	OSF1.50	5050.00	5033.76				MinPts	
	4103.35	1233.38	3280.75	2869.96	4.99	OSF1.50	7560.00	7543.76	OSF>5.00			Exit Alert	
	7310.63	291.06	7116.25	7019.57	37.80	OSF1.50	15210.00	12214.83				MinPt-CtCt	

Offset Trajectory	Separation			Allow	Sep.	Controlling	Reference Trajectory		Risk Level			Alert	Status
	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
	7323.06	316.73	7111.56	7006.32	34.79	OSF1.50	15640.00	12205.01				MINPT-O-EOU	
	7376.89	379.97	7123.24	6996.92	29.20	OSF1.50	16200.00	12192.22				MinPt-O-ADP	
	7515.03	491.35	7187.13	7023.68	22.99	OSF1.50	16954.28	12175.00				MinPt-O-SF	
Cimarex Red Tank 3 Federal #10H Rev0 RM 19Sept17 (Non-Def Plan)													Pass
	99.70	32.81	97.72	66.89	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	99.70	32.81	97.71	66.89	11886.60	MAS = 10.00 (m)	26.00	26.00				WRP	
	99.70	32.81	85.54	66.89	8.02	MAS = 10.00 (m)	2000.00	2000.00				MinPts	
	99.75	32.81	85.47	66.94	7.95	MAS = 10.00 (m)	2030.00	2030.00				MINPT-O-EOU	
	100.38	32.81	85.82	67.58	7.82	MAS = 10.00 (m)	2110.00	2109.97				MinPt-O-SF	
	320.16	75.78	268.97	244.37	6.47	OSF1.50	9580.00	9563.76				MinPts	
	320.51	75.91	269.25	244.60	6.46	OSF1.50	9600.00	9583.76				MinPt-O-SF	
	2507.31	32.81	2485.49	2474.50	126.24	MAS = 10.00 (m)	12840.00	12268.94				MinPts	
	2517.33	144.10	2420.60	2373.23	26.55	OSF1.50	16790.00	12178.75				MINPT-O-EOU	
	2517.38	144.16	2420.62	2373.23	26.54	OSF1.50	16800.00	12178.52				MinPt-O-ADP	
	2522.28	144.80	2425.09	2377.48	26.47	OSF1.50	16940.00	12175.33				MinPt-O-SF	
	2523.22	144.85	2425.99	2378.37	26.47	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #11H Rev0 RM 19Sept17 (Def Plan)													Pass
	116.76	32.81	114.78	83.95	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	116.76	32.81	114.77	83.95	17813.33	MAS = 10.00 (m)	26.00	26.00				WRP	
	116.76	32.81	102.60	83.95	9.42	MAS = 10.00 (m)	2000.00	2000.00				MinPts	
	116.82	32.81	102.55	84.01	9.34	MAS = 10.00 (m)	2030.00	2030.00				MINPT-O-EOU	
	117.49	32.81	102.95	84.68	9.19	MAS = 10.00 (m)	2100.00	2099.98				MinPt-O-SF	
	356.41	73.34	306.85	283.07	7.45	OSF1.50	9290.00	9273.76				MINPT-O-EOU	
	356.47	73.40	306.87	283.06	7.44	OSF1.50	9300.00	9283.76				MinPt-O-ADP	
	356.86	73.51	307.20	283.35	7.44	OSF1.50	9320.00	9303.76				MinPt-O-SF	
	2564.74	35.36	2540.51	2529.38	115.14	OSF1.50	12800.00	12269.86				MinPt-CtCt	
	2573.75	143.55	2477.39	2430.20	27.25	OSF1.50	16790.00	12178.75				MINPT-O-EOU	
	2573.80	143.60	2477.40	2430.19	27.24	OSF1.50	16800.00	12178.52				MinPt-O-ADP	
	2579.10	144.29	2482.25	2434.81	27.16	OSF1.50	16950.00	12175.10				MinPt-O-SF	
	2579.38	144.30	2482.52	2435.08	27.16	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #1H Rev1 ALS 21DEC17 (Def Plan)													Pass
	900.44	32.81	898.47	867.64	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	900.44	32.81	898.46	867.64	115537.53	MAS = 10.00 (m)	26.00	26.00				WRP	
	900.44	32.81	887.60	867.64	82.73	MAS = 10.00 (m)	1790.00	1790.00				MinPts	
	900.46	32.81	887.52	867.65	81.95	MAS = 10.00 (m)	1810.00	1810.00				MINPT-O-EOU	
	905.83	32.81	892.14	873.02	77.16	MAS = 10.00 (m)	2000.00	2000.00				MinPt-O-SF	
	1452.98	32.81	1433.39	1420.18	82.39	MAS = 10.00 (m)	4600.00	4584.08				MinPt-O-SF	
	1580.73	33.79	1557.54	1546.94	74.45	OSF1.50	5560.00	5543.76				MinPt-O-SF	
	1605.70	77.27	1553.52	1528.42	31.95	OSF1.50	11810.00	11793.76				MINPT-O-EOU	
	1599.75	87.28	1540.90	1512.47	28.10	OSF1.50	13030.00	12264.61				MinPt-CtCt	
	1602.01	153.80	1498.82	1448.22	15.81	OSF1.50	16740.00	12179.89				MINPT-O-EOU	
	1602.11	153.91	1498.85	1448.21	15.80	OSF1.50	16750.00	12179.66				MinPt-O-ADP	
	1605.83	154.70	1502.04	1451.13	15.75	OSF1.50	16840.00	12177.61				MinPt-O-SF	
	1617.77	155.21	1513.64	1462.56	15.82	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #2H Rev1 ALS 21Dec17 (Def Plan)													Pass
	984.14	32.81	982.17	951.34	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	984.14	32.81	982.15	951.34	96098.50	MAS = 10.00 (m)	26.00	26.00				WRP	
	946.99	32.81	933.56	914.18	82.59	MAS = 10.00 (m)	2100.00	2099.98				MinPt-O-SF	
	945.13	32.81	931.72	912.32	82.60	MAS = 10.00 (m)	2130.00	2129.96				MinPt-O-SF	
	940.39	32.81	927.03	907.58	82.64	MAS = 10.00 (m)	2240.00	2239.72				MinPt-O-SF	
	938.17	32.81	924.22	905.36	78.31	MAS = 10.00 (m)	2910.00	2905.35				MinPts	
	940.19	32.81	923.15	907.38	62.36	MAS = 10.00 (m)	3830.00	3819.14				MINPT-O-EOU	
	943.64	32.81	923.90	910.83	53.05	MAS = 10.00 (m)	4420.00	4405.16				MinPt-O-SF	
	940.10	83.39	883.83	856.70	17.29	OSF1.50	12260.00	12181.63				MinPt-CtCt	
	940.33	84.11	883.59	856.22	17.14	OSF1.50	12350.00	12228.01				MINPT-O-EOU	
	940.66	84.51	883.65	856.15	17.06	OSF1.50	12400.00	12247.27				MinPt-O-ADP	
	943.42	157.71	837.62	785.71	9.07	OSF1.50	16720.00	12180.35				MinPt-CtCt	
	943.42	157.85	837.53	785.57	9.06	OSF1.50	16730.00	12180.12				MinPts	
	943.51	157.89	837.59	785.62	9.06	OSF1.50	16740.00	12179.89				MinPt-O-SF	
	970.60	155.91	866.00	814.69	9.44	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #3H Rev1 ALS 21DEC17 (Def Plan)													Pass
	1004.11	32.81	1002.13	971.30	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	1004.11	32.81	1002.12	971.30	110009.36	MAS = 10.00 (m)	26.00	26.00				WRP	
	999.54	32.81	987.26	966.73	96.94	MAS = 10.00 (m)	2000.00	2000.00				MinPt-O-SF	
	999.25	32.81	987.02	966.44	97.36	MAS = 10.00 (m)	2040.00	2040.00				MINPT-O-EOU	
	999.24	32.81	987.03	966.43	97.47	MAS = 10.00 (m)	2050.00	2050.00				MinPts	
	1191.43	32.81	1176.62	1158.62	92.68	MAS = 10.00 (m)	4800.00	4783.77				MinPt-O-SF	
	1190.61	32.81	1175.87	1157.80	93.12	MAS = 10.00 (m)	4900.00	4883.76				MinPt-O-SF	
	1190.17	32.81	1175.55	1157.37	93.97	MAS = 10.00 (m)	4990.00	4973.76				MINPT-O-EOU	
	1190.15	32.81	1175.43	1157.35	93.26	MAS = 10.00 (m)	5120.00	5103.76				MinPts	
	1190.15	66.22	1145.35	1123.93	27.74	OSF1.50	11770.00	11753.76				MinPt-CtCt	
	1190.24	66.55	1145.22	1123.70	27.60	OSF1.50	11810.00	11793.76				MINPT-O-EOU	
	1190.31	66.63	1145.24	1123.69	27.57	OSF1.50	11820.00	11803.76				MinPt-O-ADP	
	1270.14	148.18	1170.70	1121.96	13.01	OSF1.50	16740.00	12179.89				MinPts	
	1271.10	148.39	1171.51	1122.71	13.00	OSF1.50	16780.00	12178.98				MinPt-O-SF	
	1289.80	148.04	1190.45	1141.76	13.23	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #4H Rev1 ALS 21Dec17 (Def Plan)													Pass
	1024.09	32.81	1022.11	991.28	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	1024.09	32.81	1022.10	991.28	112202.46	MAS = 10.00 (m)	26.00	26.00				WRP	
	1024.09	32.81	1012.50	991.28	106.40	MAS = 10.00 (m)	1590.00	1590.00				MinPts	
	1024.12	32.81	1012.42	991.31	105.07	MAS = 10.00 (m)	1620.00	1620.00				MINPT-O-EOU	
	1030.21	32.81	1017.88	997.41	99.31	MAS = 10.00 (m)	2000.00	2000.00				MinPt-O-SF	
	1296.34	32.81	1281.80	1263.53	103.07	MAS = 10.00 (m)	4600.00	4584.08				MinPt-O-SF	
	1308.85	32.81	1294.11	1276.04	102.40	MAS = 10.00 (m)	4840.00	4823.76				MinPt-O-SF	
	1309.81	32.81	1295.05	1277.00	102.34	MAS = 10.00 (m)	4920.00	4903.76				MinPt-O-SF	
	1310.20	32.81	1295.47	1277.39	102.64	MAS = 10.00 (m)	5120.00	5103.76				MinPts	
	1310.43	67.56	1264.72	1242.86	29.93	OSF1.50	11920.00	11902.89				MINPT-O-EOU	

Offset Trajectory	Separation			Allow	Sep.	Controlling	Reference Trajectory		Risk Level			Alert	Status
	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
	1310.63	67.82	1264.75	1242.81	29.81	OSF1.50	11950.00	11931.93				MinPt-O-ADP	
	1287.32	141.02	1192.64	1146.30	13.87	OSF1.50	16340.00	12189.03				MinPt-CtCt	
	1287.33	149.72	1186.86	1137.61	13.05	OSF1.50	16730.00	12180.12				MINPT-O-EOU	
	1287.41	149.82	1186.87	1137.59	13.04	OSF1.50	16740.00	12179.89				MinPt-O-ADP	
	1288.98	150.24	1188.16	1138.74	13.02	OSF1.50	16790.00	12178.75				MinPt-O-SF	
	1307.67	150.43	1206.72	1157.24	13.19	OSF1.50	16954.28	12175.00				TD	
Cimarex Red Tank 3 Federal #5H Rev1 ALS 21Sept17 (Def Plan)													Pass
	1043.94	32.81	1041.96	1011.13	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	1043.94	32.81	1041.95	1011.13	97700.84	MAS = 10.00 (m)	26.00	26.00				WRP	
	1043.94	32.81	1032.35	1011.13	108.45	MAS = 10.00 (m)	1590.00	1590.00				MinPts	
	1043.96	32.81	1032.27	1011.15	107.37	MAS = 10.00 (m)	1610.00	1610.00				MINPT-O-EOU	
	1064.25	32.81	1051.33	1031.44	97.12	MAS = 10.00 (m)	2000.00	2000.00				MinPt-O-SF	
	1559.29	32.81	1541.16	1526.48	96.43	MAS = 10.00 (m)	4530.00	4514.42				MinPt-O-SF	
	1600.41	77.72	1547.94	1522.69	31.65	OSF1.50	11940.00	11922.30				MINPT-O-EOU	
	1600.56	77.89	1547.97	1522.66	31.59	OSF1.50	11960.00	11941.49				MinPt-O-ADP	
	1629.67	155.42	1525.39	1474.24	15.91	OSF1.50	16720.00	12180.35				MinPt-CtCt	
	1629.75	155.69	1525.30	1474.06	15.89	OSF1.50	16740.00	12179.89				MinPts	
	1634.56	156.76	1529.40	1477.80	15.82	OSF1.50	16850.00	12177.38				MinPt-O-SF	
	1645.92	157.31	1540.39	1488.61	15.87	OSF1.50	16954.28	12175.00				TD	

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**Cimarex Energy Company**
LEASE NO.:	**NMNM126969**
WELL NAME & NO.:	Red Tank 3 Federal 7H
SURFACE HOLE FOOTAGE:	468'/S & 1740'/E
BOTTOM HOLE FOOTAGE	100'/S & 1980'/E
LOCATION:	Section 3, T.23 S., R.32 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	(•) Yes	( ) No	
Potash	(•) None	( ) Secretary	( ) R-111-P
Cave/Karst Potential	(•) Low	( ) Medium	( ) High
Cave/Karst Potential	( ) Critical		
Variance	( ) None	(•) Flex Hose	( ) Other
Wellhead	( ) Conventional	(•) Multibowl	( ) Both
Other	[ ] 4 String Area	[ ] Capitan Reef	[ ] WIPP
Other	[x] Fluid Filled	[ ] Cement Squeeze	[ ] Pilot Hole
Special Requirements	[ ] Water Disposal	[ ] COM	[ ] Unit

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Cherry Canyon and Sand Dunes Pool** Formations. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

1. The **10-3/4 inch** surface casing shall be set at approximately **1,250 feet** (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.

    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 will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
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.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The minimum required fill of cement behind the **7-5/8 inch** intermediate casing and shall be set at approximately **12,282 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 or potash.**

3. The minimum required fill of cement behind the **5-1/2 inch** production casing is:

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M) psi**.

3. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **10,000 (10M) psi**.

a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
c. Manufacturer representative shall install the test plug for the initial BOP test.

d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

Approval Date: 09/25/2020

GENERAL 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

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

1. 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.

   a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
   b. When the operator proposes to set surface casing with Spudder Rig
      - Notify the BLM when moving in and removing the Spudder Rig.
      - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
      - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.

2. 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 are located, this does not include the dog house or stairway area.

3. 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.

Approval Date: 09/25/2020

A. CASING

1. 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.

2. Wait on cement (WOC) for Potash Areas: 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 for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

3. 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. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

4. 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.

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

6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. 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.

8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. 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. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. 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.

3. 5M or higher 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.

4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:

    a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
    b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
    c. Manufacturer representative shall install the test plug for the initial BOP test.
    d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
    e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

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. In potash areas, 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. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).

c. 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 (8 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).

d. 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. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

e. The results of the test shall be reported to the appropriate BLM office.

f. 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.

g. 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.

h. 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.

C. 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.

D. 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.

YJ 06/28/2020

Approval Date: 09/25/2020

Master COAs for the Cimarex Red Tank 3 Fed Com 1H – 12H

Red Tank Unit #1H:
Surface Hole Location: 443’ FSL & 840’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 330’ FNL & 380’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #2H:
Surface Hole Location: 384’ FSL & 759’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 330’ FNL & 1040’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #3H:
Surface Hole Location: 384’ FSL & 739’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 330’ FNL & 710’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #4H:
Surface Hole Location: 384’ FSL & 719’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 330’ FNL & 710’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #5H:
Surface Hole Location: 384’ FSL & 699’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 330’ FNL & 380’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #6H:
Surface Hole Location: 468’ FSL & 1760’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 330’ FNL & 2340’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #7H:
Surface Hole Location: 468’ FSL & 1740’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 100’ FSL & 1980’ FEL, Section 3, T. 23 S., R. 32 E.

Red Tank Unit #8H:
Surface Hole Location: 468’ FSL & 1720’ FEL, Section 3, T. 23 S., R. 32 E.
Bottom Hole Location: 100’ FSL & 1980’ FEL, Section 3, T. 23 S., R. 32 E.

Approval Date: 09/25/2020

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator 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 shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

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.

V. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

Watershed:
The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems

will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing
The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width
The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing
Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning
Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

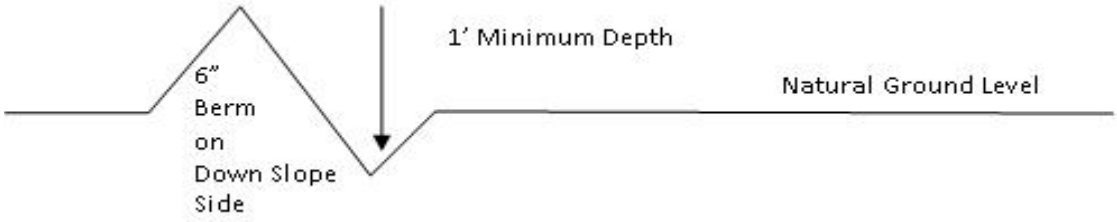
Ditching
Ditching shall be required on both sides of the road.

Turnouts
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage
Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: $\frac{400'}{4\%}$ + 100' = 200' lead-off ditch interval

Cattle guards
An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement
Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access
Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

1. Salvage topsoil
2. Construct road
3. Redistribute topsoil
4. Revegetate slopes

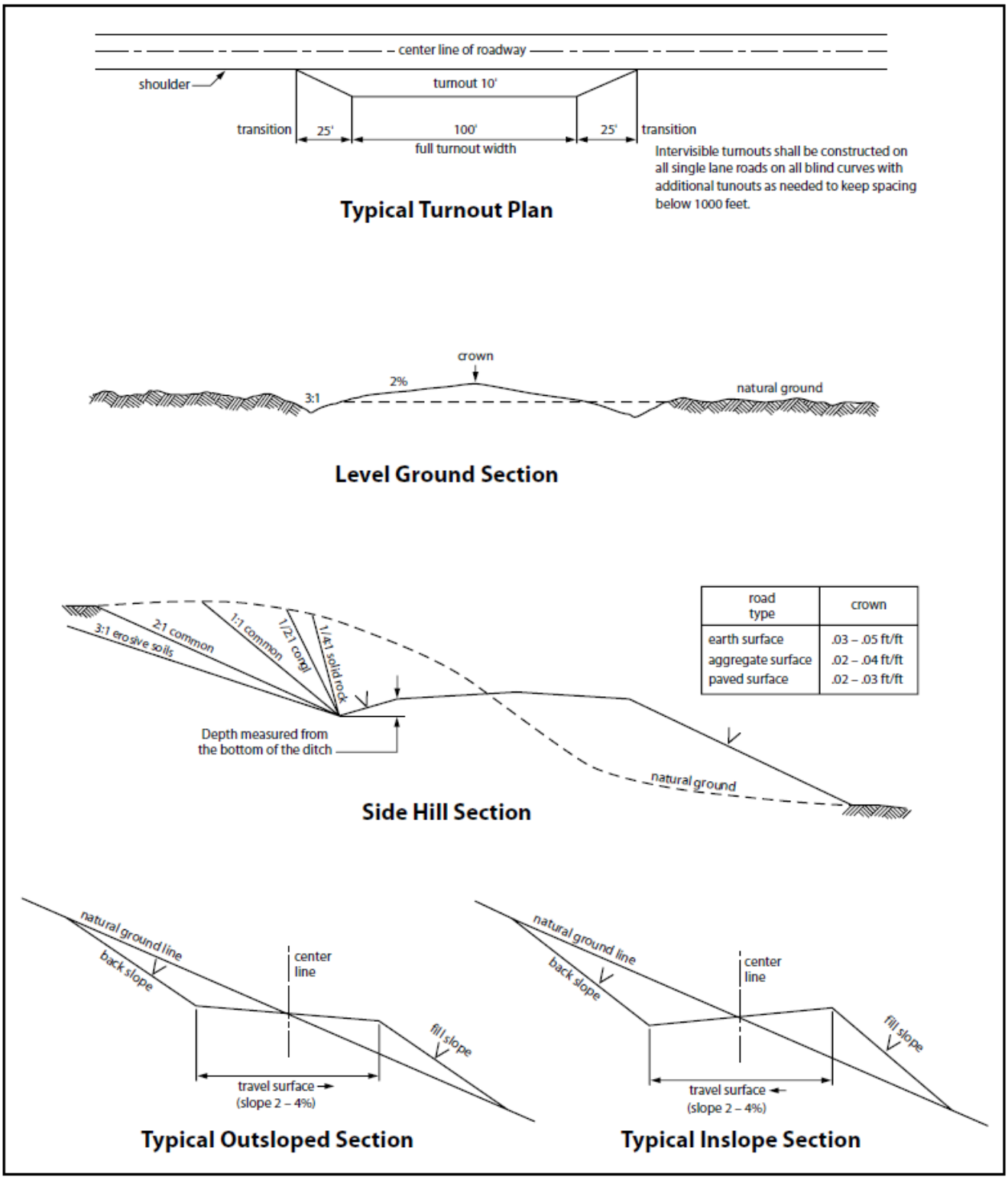


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

Approval Date: 09/25/2020

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities
Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)
Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening
The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures
The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone*.) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures
Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement
All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

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

Holder agrees to comply with the following stipulations 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 grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other 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 on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, 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. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of **36** inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be **30** feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed **20** feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation*.)

- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed **30** feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)

- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately ___6___ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

( ) seed mixture 1	( ) seed mixture 3
(X) seed mixture 2	( ) seed mixture 4
( ) seed mixture 2/LPC	( ) Aplomado Falcon Mixture

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land 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.

17. 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 associated roads, 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.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] 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 the trenches according to the following criteria:

a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

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

Holder agrees to comply with the following stipulations 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 grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the

release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
b. Activities of other parties including, but not limited to:
    (1) Land clearing.
    (2) Earth-disturbing and earth-moving work.
    (3) Blasting.
    (4) Vandalism and sabotage.
c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars ($1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, 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 the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-way width of **20** feet. If the pipeline route follows an existing road or

buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

9. The pipeline shall be buried with a minimum of **24** inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline

route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land 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 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.

16. 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, powerline 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.

17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

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 no 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	lb/acre
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

Hydrogen Sulfide Drilling Operations Plan
Red Tank 3 Federal 7H
Cimarex Energy Co.
UL: P, Sec. 3, 23S, 32E
Lea Co., NM

1 All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:

A. Characteristics of H_2S
B. Physical effects and hazards
C. Principal and operation of H2S detectors, warning system and briefing areas.
D. Evacuation procedure, routes and first aid.
E. Proper use of safety equipment & life support systems
F. Essential personnel meeting Medical Evaluation criteria will receive additional training on the proper use of 30 minute pressure demand air packs.

H_2S Detection and Alarm Systems:

A. H2S sensors/detectors to be located on the drilling rig floor, in the base of the sub structure/cellar area, on the mud pits in the shale shaker area. Additional H2S detectors may play placed as deemed necessary.

B. An audio alarm system will be installed on the derrick floor and in the top doghouse.

3 Windsock and/or wind streamers:

A. Windsock at mudpit area should be high enough to be visible.
B. Windsock on the rig floor and / or top doghouse should be high enough to be visible.

4 Condition Flags and Signs

A. Warning sign on access road to location.
B. Flags to be displayed on sign at entrance to location. Green flag indicates normal safe condition. Yellow flag indicates potential pressure and danger. Red flag indicates danger (H_2S present in dangerous concentration). Only H2S trained and certified personnel admitted to location.

5 Well control equipment:

A. See exhibit "E-1"

6 Communication:

A. While working under masks chalkboards will be used for communication.
B. Hand signals will be used where chalk board is inappropriate.
C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.

7 Drillstem Testing:
No DSTs r cores are planned at this time.

8 Drilling contractor supervisor will be required to be familiar with the effects H_2S has on tubular goods and other mechanical equipment.

9 If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavengers if necessary.

H_2S Contingency Plan
Red Tank 3 Federal 7H
Cimarex Energy Co.
UL: P, Sec. 3, 23S, 32E
Lea Co., NM

Emergency Procedures

In the event of a release of gas containing H_2S, the first responder(s) must:

« Isolate the area and prevent entry by other persons into the 100 ppm ROE.
« Evacuate any public places encompassed by the 100 ppm ROE.
« Be equipped with H_2S monitors and air packs in order to control the release.
« Use the "buddy system" to ensure no injuries occur during the 432-620-1975
« Take precautions to avoid personal injury during this operation.
« Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
« Have received training in the:
  - Detection of H_2S, and
  - Measures for protection against the gas,
  - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO_2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

Characteristics of H_2S and SO_2

Please see attached International Chemical Safety Cards.

Contacting Authorities

Cimarex Energy Co. of Colorado's personnel must liaise with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Cimarex Energy Co. of Colorado's response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

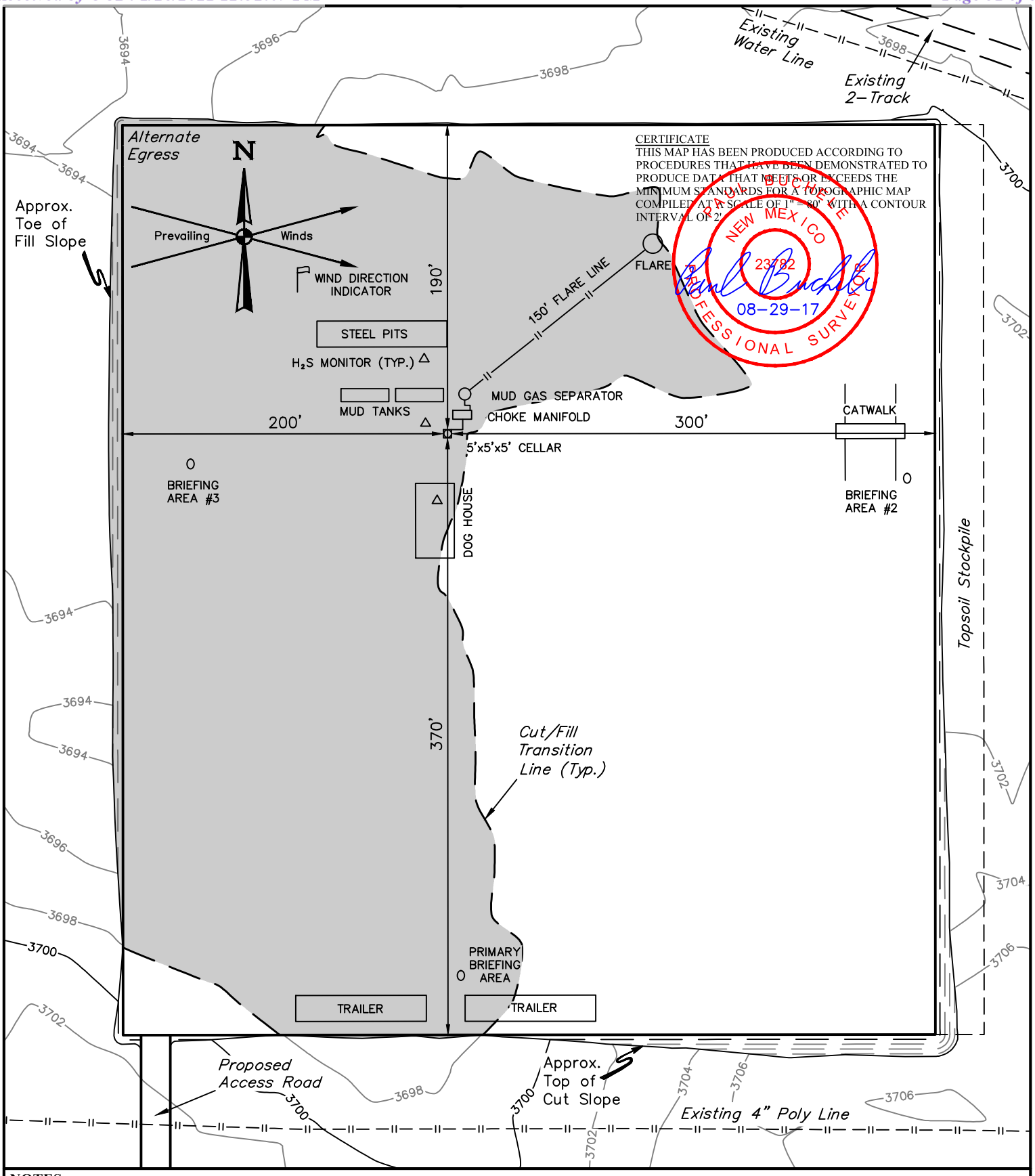
H_2S Contingency Plan Emergency Contacts
Red Tank 3 Federal 7H
Cimarex Energy Co.
UL: P, Sec. 3, 23S, 32E
Lea Co., NM

Company Office			
Cimarex Energy Co. of Colorado		800-969-4789	
Co. Office and After-Hours Menu			

Key Personnel

Name	Title	Office	Mobile
Larry Seigrist	Drilling Manager	432-620-1934	580-243-8485
Charlie Pritchard	Drilling Superintendent	432-620-1975	432-238-7084
Roy Shirley	Construction Superintendent		432-634-2136

Artesia		
Ambulance	911	
State Police	575-746-2703	
City Police	575-746-2703	
Sheriff's Office	575-746-9888	
Fire Department	**575-746-2701**	
Local Emergency Planning Committee	575-746-2122	
New Mexico Oil Conservation Division	575-748-1283	
Carlsbad		
Ambulance	911	
State Police	575-885-3137	
City Police	575-885-2111	
Sheriff's Office	575-887-7551	
Fire Department	**575-887-3798**	
Local Emergency Planning Committee	575-887-6544	
US Bureau of Land Management	575-887-6544	
Santa Fe		
New Mexico Emergency Response Commission (Santa Fe)	505-476-9600	
New Mexico Emergency Response Commission (Santa Fe) 24 Hrs	505-827-9126	
New Mexico State Emergency Operations Center	505-476-9635	
National		
National Emergency Response Center (Washington, D.C.)	800-424-8802	
Medical		
Flight for Life - 4000 24th St.; Lubbock, TX	806-743-9911	
Aerocare - R3, Box 49F; Lubbock, TX	806-747-8923	
Med Flight Air Amb - 2301 Yale Blvd S.E., #D3; Albuquerque, NM	505-842-4433	
SB Air Med Service - 2505 Clark Carr Loop S.E.; Albuquerque, NM	505-842-4949	
Other		
Boots & Coots IWC	800-256-9688	or 281-931-8884
Cudd Pressure Control	432-699-0139	or 432-563-3356
Halliburton	575-746-2757	
B.J. Services	575-746-3569	



NOTES:

- Contours shown at 2' intervals.

CIMAREX ENERGY CO.

RED TANK 3 FEDERAL 7H
468' FSL 1740' FEL
SW 1/4 SE 1/4, SECTION 3, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO

SURVEYED BY	G.M., R.S.	07-18-17	**SCALE**
DRAWN BY	S.F.	08-29-17	1" = 80'

Typical Rig layout and Closed Loop Diagram

UINTAH ENGINEERING & LAND SURVEYING
UELS, LLC
Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 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

CONDITIONS

Action 16042

CONDITIONS OF APPROVAL

Operator:	OGRID:	Action Number:	Action Type:
CIMAREX ENERGY CO. 600 N. Marienfeld Street Suite 600 Midland, TX79701	215099	16042	FORM 3160-3

OCD Reviewer	Condition
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string