OCD-ARTESIA

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Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**

***Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***

***SUBMIT IN TRIPLICATE – Other instructions on page 2.***

| | |
|---|---|
| 5. Lease Serial No.<br>NM 04510 | |
| 6. If Indian, Allottee or Tribe Name | |
| 7. If Unit of CA/Agreement, Name and/or No. | |
| 1. Type of Well<br>☐ Oil Well ☑ Gas Well ☐ Other | 8. Well Name and No.<br>Pecos River Federal 21 COM #1 |
| 2. Name of Operator<br>CIMAREX ENERGY CO. OF COLORADO | 9. API Well No.<br>30-015-23558 |
| 3a. Address<br>600 N. Marienfeld st Suite 600, Midland, TX 79701 | 3b. Phone No. *(include area code)*<br>432-571-7800 |
| 10. Field and Pool or Exploratory Area<br>McMillan Atoka | |
| 4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*<br>1980' FSL & 2030' FWL, Unit K, Section 21, T19S-R27E | 11. Country or Parish, State<br>EDDY |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|---|---|
| ☑ Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| | ☐ Alter Casing | ☐ Fracture Treat | ☑ Reclamation | ☐ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☐ Other _____ |
| | ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | _____ |
| ☐ Final Abandonment Notice | ☐ Convert to Injection | ☐ Plug Back | ☐ Water Disposal | _____ |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

1. Cimarex Energy has contracted Talon/LPE to do reclamation of the location and closed drilling pit at the Pecos River Federal 21 COM #1 a P&A location.

2. On 3/8/2012 Talon/LPE mobilized personnel to the site to carry out soil sampling activities for the construction of a work plan. Grab soil samples were collected from the surface of the location and the closed drilling pit. The soil samples were sent to Cardinal Laboratories for analysis of total Chlorides via Method SM4500Cl-B. The results for the soil samples are attached.

3. The surface of the closed drilling pit area will be bladed to prepare for the installation of a liner. Rock and debris will be deep buried into the drilling reserve pit area. A composite 20 millimeter liner measuring 250-feet long by 120-feet wide will be installed over the closed drilling pit area. The edges of the liner will be keyed a minimum of 3-feet deep into a trench excavated at the boundaries of the closed drilling pit area.

4. The visibly impacted soil from around the wellhead will be placed under the liner in the drilling pit. Extends 40 west toward meter

5. The caliche from the location will be removed, placed on the liner or used as road closure berms. The location will then be contoured to match the surrounding terrian. Placing a minimum 2-foot soil lift over the top of the 20 mil liner. The contoured location will be seeded using the recommended BLM seed mixture for the area. #3 & #4 blend 50/50. Barricade pit/rd.

6. A 1-foot berm will be constucted up gradient of the location to divert run off waters for erosion control.
* African Rue across west side of loc. Treat 2wks prior to start. (1% Round-up 1% Arsenal) Notify Jim Amos @ 575-234-5909 prior to start for onsite. See Attached Objectives

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*

Ronnie Snow — Title Production foreman

Signature — Date 4/4/12

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

Approved by James A. Amos — Title SEAS — Date 4-28-12

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

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

(Instructions on page 2)

CARDINAL Laboratories

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

March 14, 2012

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: PECOS RIVER FEDERAL COM NO. 1

Enclosed are the results of analyses for samples received by the laboratory on 03/12/12 13:41.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

| | |
|---|---|
| Method EPA 552.2 | Haloacetic Acids (HAA-5) |
| Method EPA 524.2 | Total Trihalomethanes (TTHM) |
| Method EPA 524.4 | Regulated VOCs (V1, V2, V3) |

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

CARDINAL Laboratories

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

## *Analytical Results For:*

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

| | | | |
|---|---|---|---|
| Received: | 03/12/2012 | Sampling Date: | 03/08/2012 |
| Reported: | 03/14/2012 | Sampling Type: | Soil |
| Project Name: | PECOS RIVER FEDERAL COM NO. 1 | Sampling Condition: | ** (See Notes) |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | SEC. 21-T19S - R27E | | |

### Sample ID: S-1 CENTER LOC 0' (H200633-01)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| **Chloride** | **240** | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

### Sample ID: S-2 LOCATION NE 0' (H200633-02)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| **Chloride** | **32.0** | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

### Sample ID: S-3 LOCATION SE 0' (H200633-03)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| ***Chloride*** | ***64.0*** | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

### Sample ID: S-4 LOCATION SW 0' (H200633-04)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| Chloride | <16.0 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Cardinal Laboratories

*=Accredited Analyte



Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

## *Analytical Results For:*

TALON LPE
MIKE STUBBLEFIELD
408 W. TEXAS AVE.
ARTESIA NM, 88210
Fax To: (575) 745-8905

| | | | |
|---|---|---|---|
| Received: | 03/12/2012 | Sampling Date: | 03/08/2012 |
| Reported: | 03/14/2012 | Sampling Type: | Soil |
| Project Name: | PECOS RIVER FEDERAL COM NO. 1 | Sampling Condition: | ** (See Notes) |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | SEC. 21-T19S - R27E | | |

### Sample ID: S-5 LOCATION NW 0' (H200633-05)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| **Chloride** | **336** | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

### Sample ID: S-6 TANK BATTERY 0' (H200633-06)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| Chloride | <16.0 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

### Sample ID: S-7 WELLHEAD 1 0' (H200633-07)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| **Chloride** | **6660** | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

### Sample ID: S-8 DRILLING PIT 0' (H200633-08)

**Chloride, SM4500Cl-B** mg/kg **Analyzed By: AP**

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|---|---|---|---|---|---|---|---|---|---|
| **Chloride** | **5920** | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Cardinal Laboratories *=Accredited Analyte



Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

## Notes and Definitions

| | |
|---|---|
| ND | Analyte NOT DETECTED at or above the reporting limit |
| RPD | Relative Percent Difference |
| ** | Samples not received at proper temperature of 6°C or below. |
| *** | Insufficient time to reach temperature. |
| - | Chloride by SM4500Cl-B does not require samples be received at or below 6°C |
| | Samples reported on an as received basis (wet) unless otherwise noted on report |





Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

| | | | |
|---|---|---|---|
| Company Name: | Talon / LPE | BILL TO | |
| Project Manager: | Mike Stubblefield | P.O. #: | |
| Address: | 408 West Texas Ave. | Company: | Talon / LPE |
| City: | Artesia State: NM Zip: 88210 | Attn: | |
| Phone #: | 575-441 7254 Fax #: | Address: | |
| Project #: | Project Owner: | City: | |
| Project Name: | Pecos River Federal Com. No. 1 | State: Zip: | |
| Project Location: | sec, 21 - T19S - R27E | Phone #: | |
| Sampler Name: | Mike Stubblefield | Fax #: | |

| FOR LAB USE ONLY Lab I.D. | Sample I.D. | (G)RAB OR (C)OMP. | # CONTAINERS | MATRIX: GROUNDWATER | WASTEWATER | SOIL | OIL | SLUDGE | OTHER : | PRESERV: ACID/BASE: | ICE / COOL | OTHER : | SAMPLING DATE | SAMPLING TIME | ANALYSIS REQUEST: Total chlorides |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| H20016 | | | | | | | | | | | | | | | |
| 1 | S-1 center Location 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:05 P | ✓ |
| 2 | S-2 Location NE 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:10 P | ✓ |
| 3 | S-3 Location SE 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:15 P | ✓ |
| 4 | S-4 Location SW 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:20 P | ✓ |
| 5 | S-5 Location NW 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:25 P | ✓ |
| 6 | S-6 Tank battery 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:30 P | ✓ |
| 7 | S-7 wellhead 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:35 P | ✓ |
| 8 | S-8 drilling pit 0' | G | | | | ✓ | | | | | ✓ | | 3/8/2012 | 1:40 P | ✓ |



| | | | |
|---|---|---|---|
| Relinquished By: | Date: 3/12/2012 | Received By: | Phone Result: ☐ Yes ☐ No Add'l Phone #: |
| Mike Stubblefield | Time: 7:41 am | Addie Henson | Fax Result: ☐ Yes ☐ No Add'l Fax #: |
| Relinquished By: | Date: | Received By: | REMARKS: |
| | Time: | | |

Delivered By: (Circle One)
Sampler - UPS - Bus - (Other:)

Sample Condition: Cool ☐ Yes ☐ No; Intact ☑ Yes ☐ No

CHECKED BY: (Initials)

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

# Reclamation Objective

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

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases, this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

The reclamation process involves restoring the original landform or creating a landform that approximates and blends in with the surrounding landform. It also involves salvaging and reusing all available topsoil in a timely manner, revegetating disturbed areas to native species, controlling erosion, controlling invasive non-native plants and noxious weeds, and monitoring results. With proper reclamation measures, over time, local native species will become re-established on the site and the area will regain its original productive and scenic potential.

Reclamation generally can be judged successful when a self-sustaining, vigorous, diverse native (or otherwise approved) plant community is established on the site, with a density sufficient to control erosion and non-native plant invasion and to re-establish wildlife habitat or forage production. Erosion control is generally sufficient when adequate groundcover is reestablished, water naturally infiltrates into the soil, and gullying, headcutting, slumping, and deep or excessive rilling is not observed. The site must be free of State- or county listed noxious weeds, oilfield debris, contaminated soil, and equipment. The operator should inform the surface management agency that reclamation has been completed and that the site is ready for final inspection when these requirements have been met. Use Form 3160-5 (Sundry Notices and Reports on Wells), Final Abandonment Notice (one original and 3 copies).

If any questions, Contact Jim Amos @ 575-234-5909 (office) or 575-361-2648 (cell).