

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-015-40615
40649
41388
41426

FORM APPROVED
OMB NO. 1004-0135
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.

5. Lease Serial No.
NMNM114978

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FORTY NINER RIDGE 23 FEDERAL FRAC I

9. API Well No.

10. Field and Pool, or Exploratory
WILDCAT; BONE SPRINGS

11. County or Parish, and State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other: UNKNOWN OTH

2. Name of Operator
CIMAREX ENERGY CO. OF COLORADO
Contact: MICHELLE CHAPPELL
Email: mchappell@cimarex.com

3a. Address
600 N. MARIENFELD STREET, SUITE 600
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 432-620-1959
Fx: 432-620-1940

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 23 T23S R30E SWSE

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Cimarex Energy Co. of Colorado proposes to construct a 300' x 300' x 12' fresh water frac pit on our Forty Niner Ridge 23 Federal lease as shown on attached plat and topo. The pit will service the Forty Niner Ridge 23 Federal wells, the Forty Niner Ridge 25 Federal wells and the Sandy wells. The pit floor will be lined with Geofam or caliche to protect against rocks, if any. The pit will be fenced with a 8' game fence with a 12' gate at the northeast corner of the pit. The pit will service Cimarex operated Bone Spring completions in the area. Fast lines from water haulers will be utilized along existing roads to fill the pit and transport fresh water to the wells for frac stimulation. When drilling has ceased in the area, the pit area will be reclaimed, contoured and reseeded per BLM specifications.

Entry into the pit will be from the existing road going from the Forty Niner Ridge 23 Federal 1 to the 2. MOA contribution for the frac pad will be sent under separate cover.

Accepted for record
RECEIVED
SEP 11 2013
CIMOOD ARTESIA

OK Surface located by 8-29-2013 20-13-518

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #203783 verified by the BLM Well Information System
For CIMAREX ENERGY CO. OF COLORADO, sent to the Carlsbad

Name (Printed/Typed) MICHELLE CHAPPELL Title REGULATORY TECHNICIAN

Signature (Electronic Submission) Date 04/08/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *James R. Combs* Title *SEPS* Date *9-6-13*

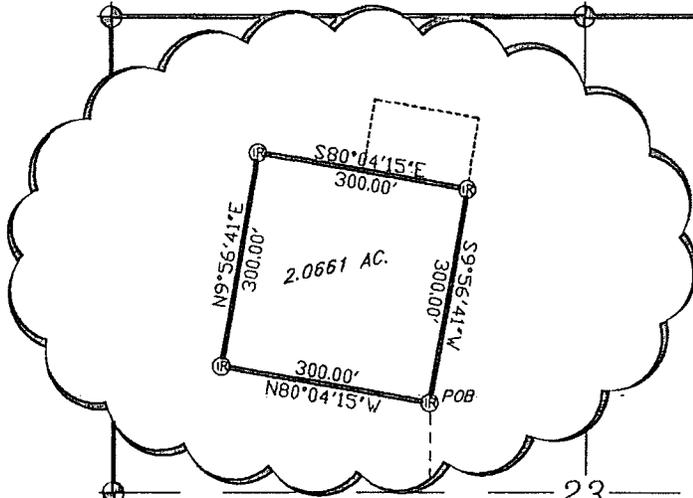
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office CARLSBAD FIELD OFFICE

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

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



23

OWNER: U.S.A.

N0°00'24\"/>

LEGAL DESCRIPTION

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

BEGINNING AT A POINT WHICH LIES WEST, 934.05 FEET AND N.00°00'24\"/>

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JOHNSON No. 7977
REGISTERED PROFESSIONAL LAND SURVEYOR No. 5074

1000 0 1000 2000 FEET

CIMAREX ENERGY CO. OF COLORADO

REF: PROPOSED SANDY/49er FRAC TANK

A TRACT OF LAND IN
SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

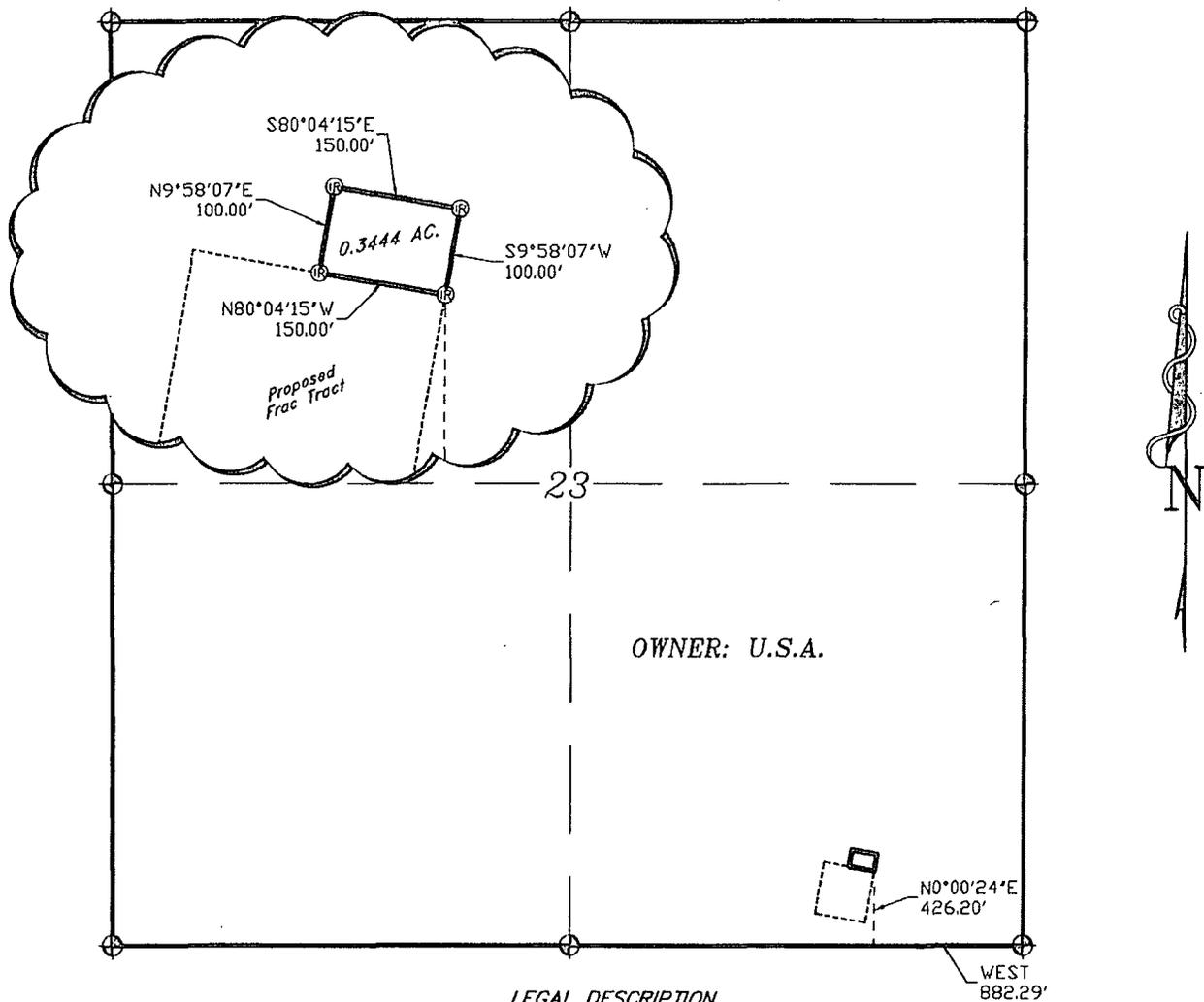
BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

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

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

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

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



LEGAL DESCRIPTION

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

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

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES, ORIGINAL ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JORDAN
No. 7977
No. 5074



CIMAREX ENERGY CO. OF COLORADO

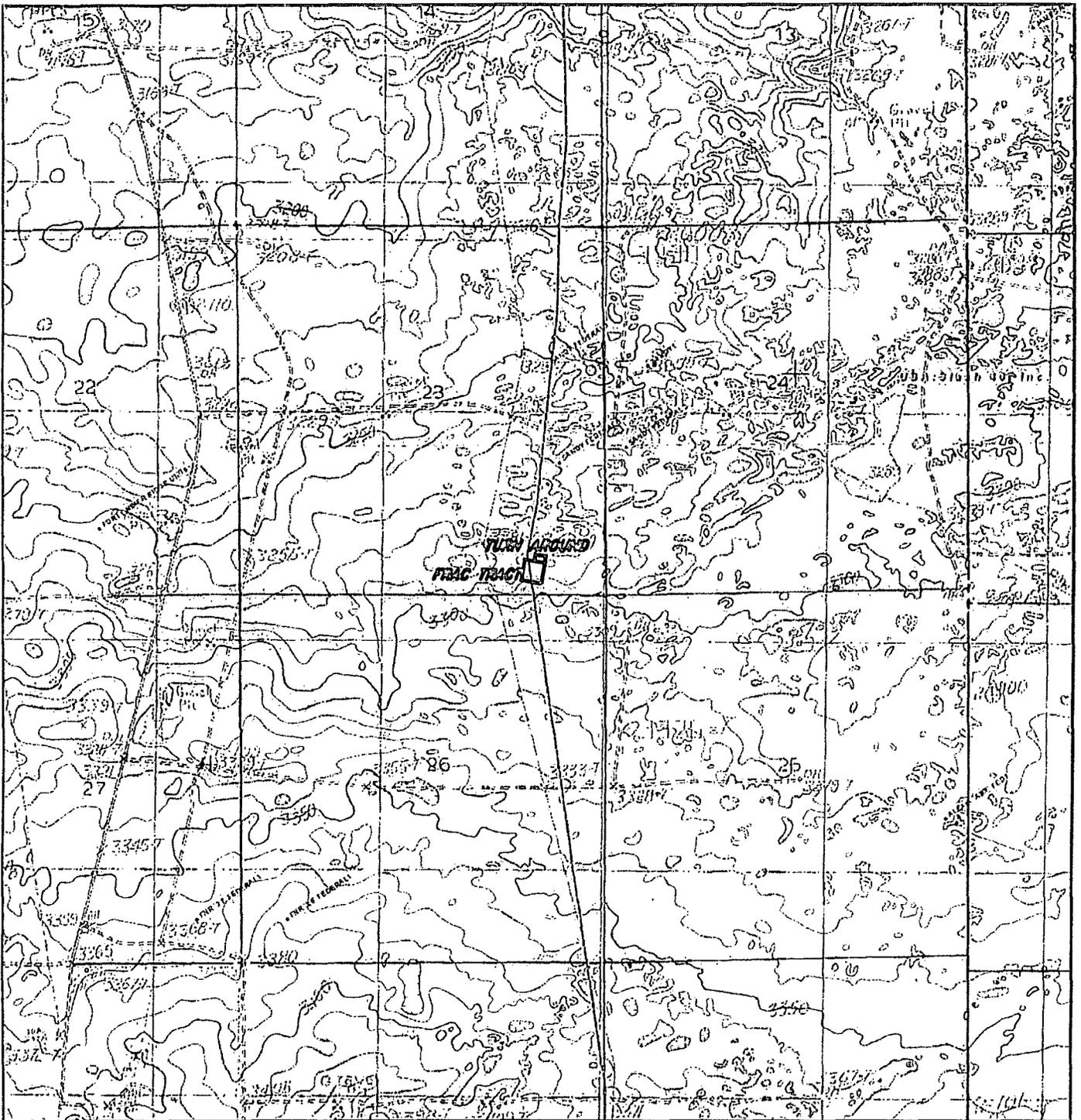
REF: PROPOSED TURN AROUND FOR THE SANDY/49er FRAC TANK

A TRACT OF LAND IN
SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

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

Date: 03-14-2013 Disk: KJG - 28307TRACT.DWG Survey Date: 03-06-2013 Sheet 2 of 2 Sheets



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

basin
surveys
 focused on excellence
 in the oilfield

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

| |
|-------------------------|
| W.O. Number: KJG 28307 |
| Survey Date: 03-06-2013 |
| Scale: 1" = 2000' |
| Date: 03-06-2013 |

CIMAREX
ENERGY CO.
OF COLORADO



PROPOSED FRAC TRACT AND TURN AROUND
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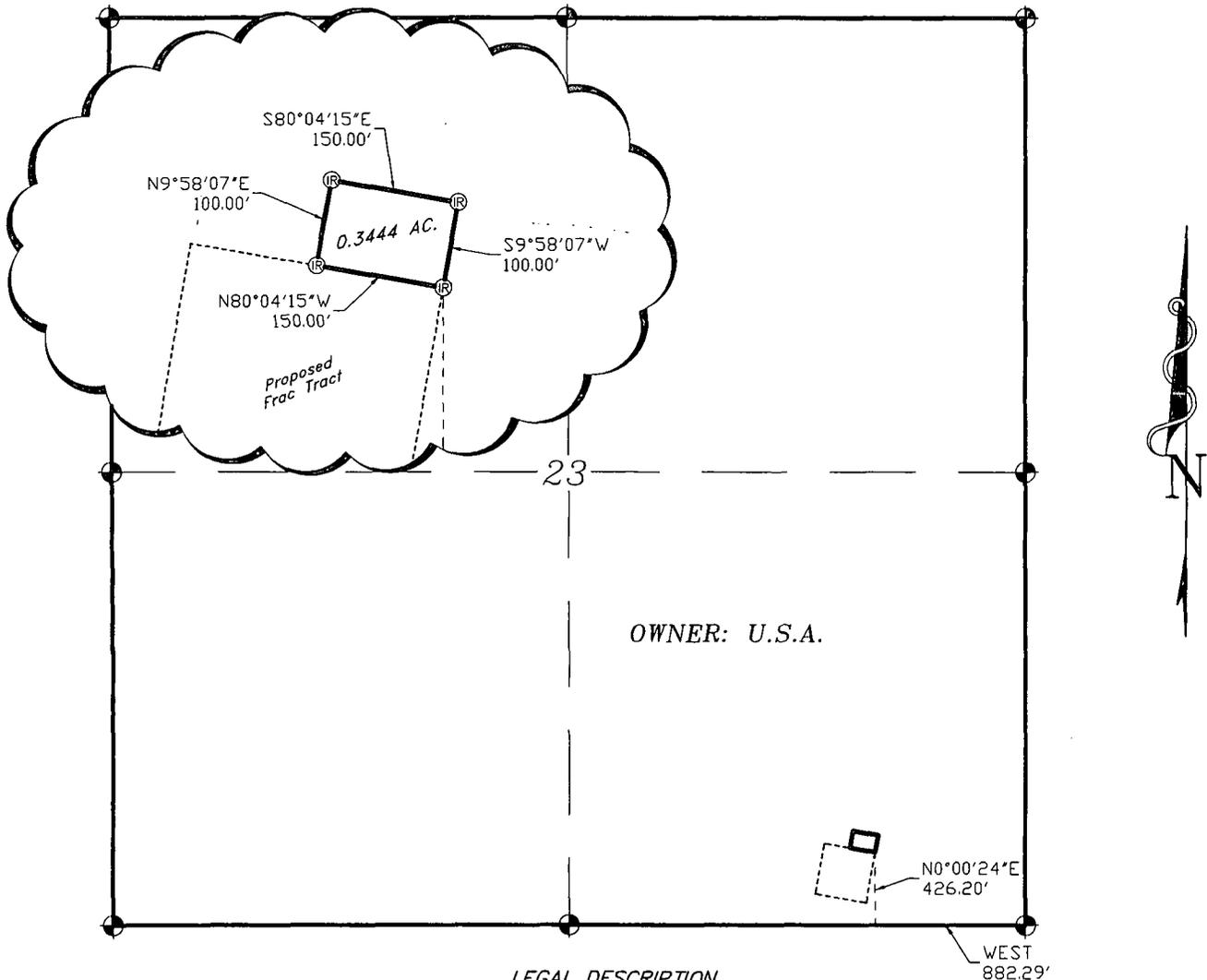
W.O. Number: KJG - 28307

Scale: 1" = 1000'

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

CIMAREX
ENERGY CO.
OF COLORADO

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



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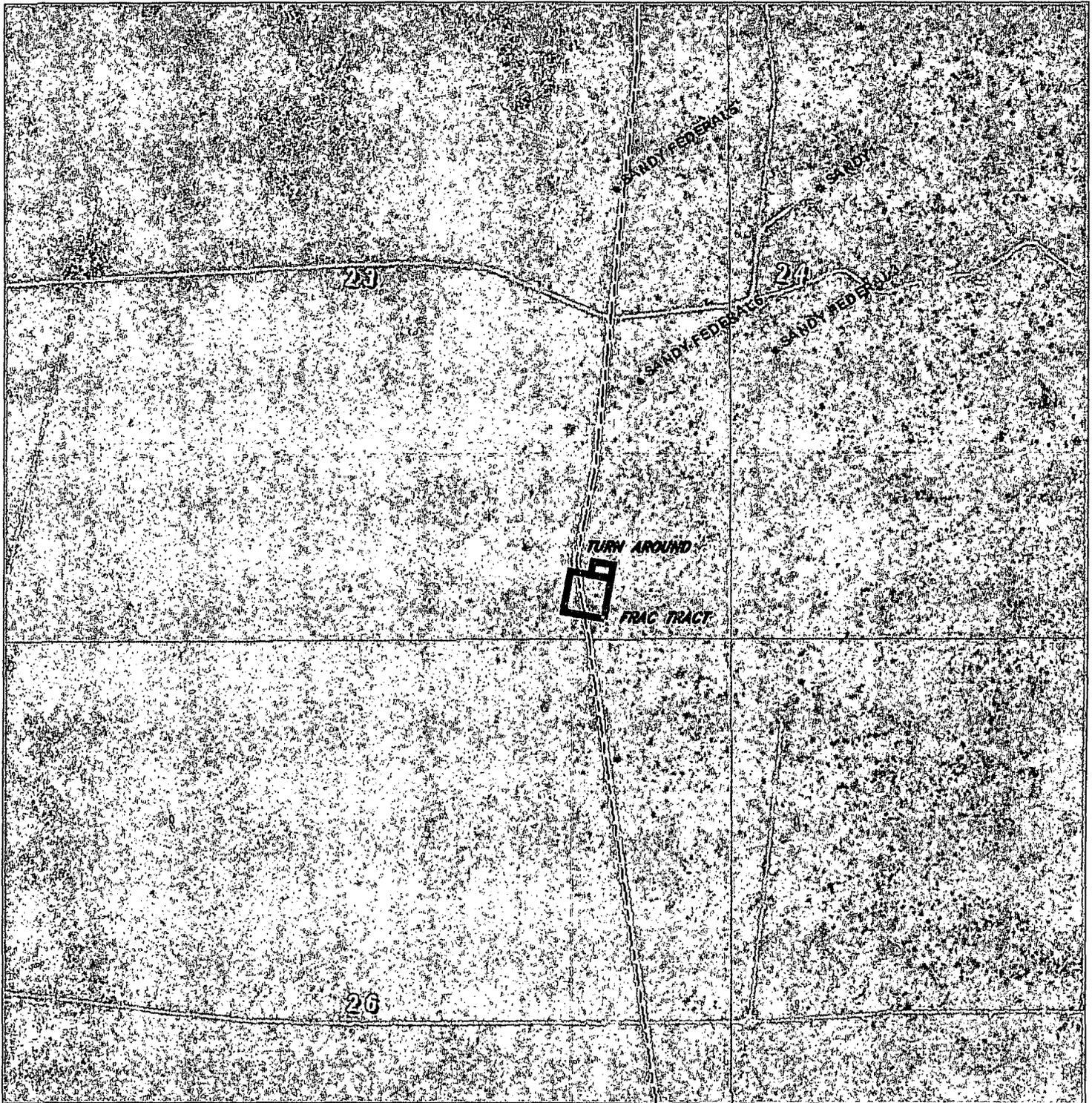


GARY L. JONES No. 7977
REGISTERED PROFESSIONAL LAND SURVEYOR No. 5074
NEW MEXICO



| | |
|--|----------------------------|
| CIMAREX ENERGY CO. OF COLORADO | |
| REF: PROPOSED TURN AROUND FOR THE SANDY/49er FRAC TANK | |
| A TRACT OF LAND IN | |
| SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST, | |
| N.M.P.M., EDDY COUNTY, NEW MEXICO. | |
| W.O. Number: 28307 | Drawn By: K. GOAD |
| Date: 03-14-2013 | Disk: KJG - 28307TRACT.DWG |
| Survey Date: 03-06-2013 | Sheet 2 of 2 Sheets |

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



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

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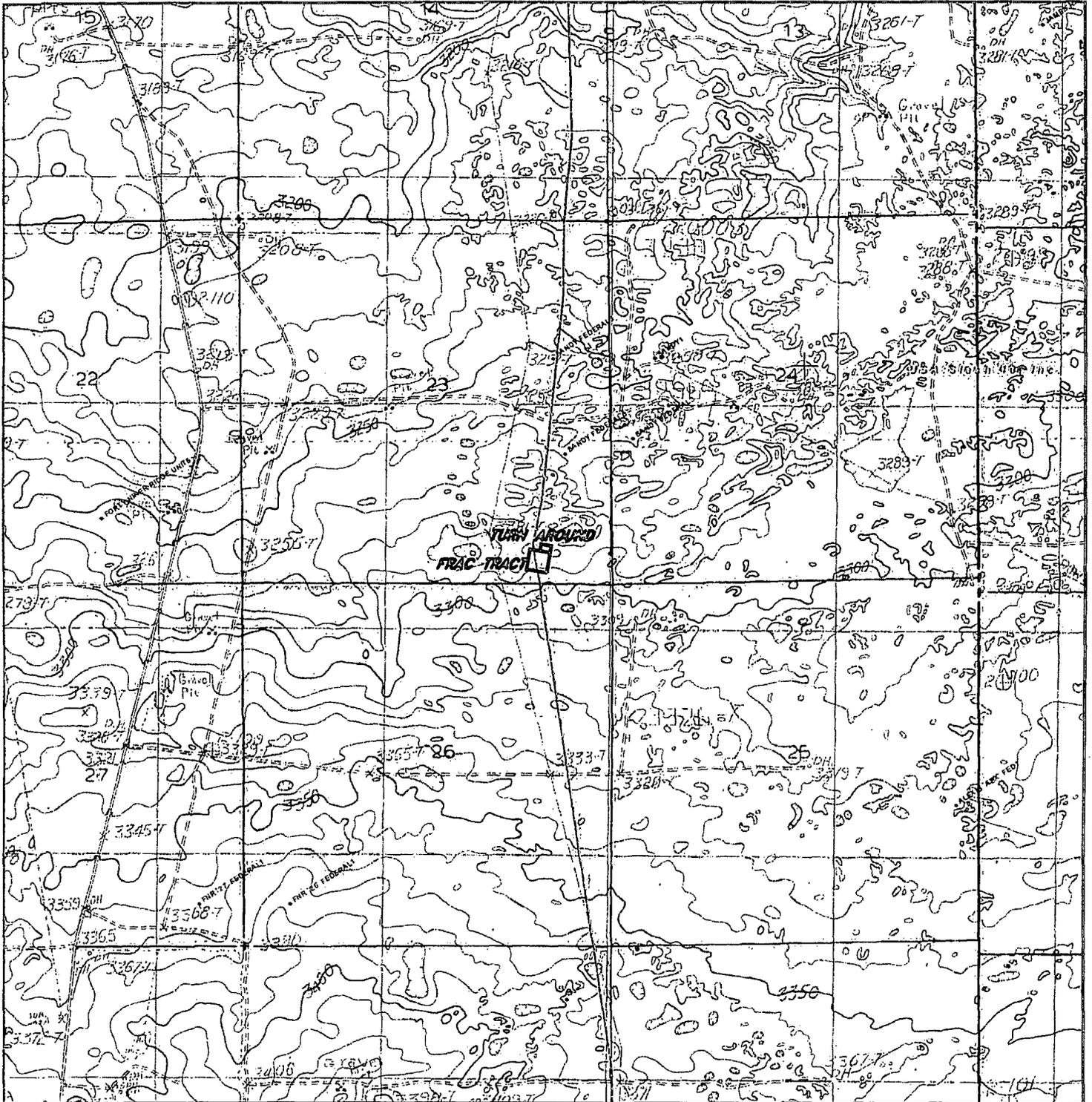
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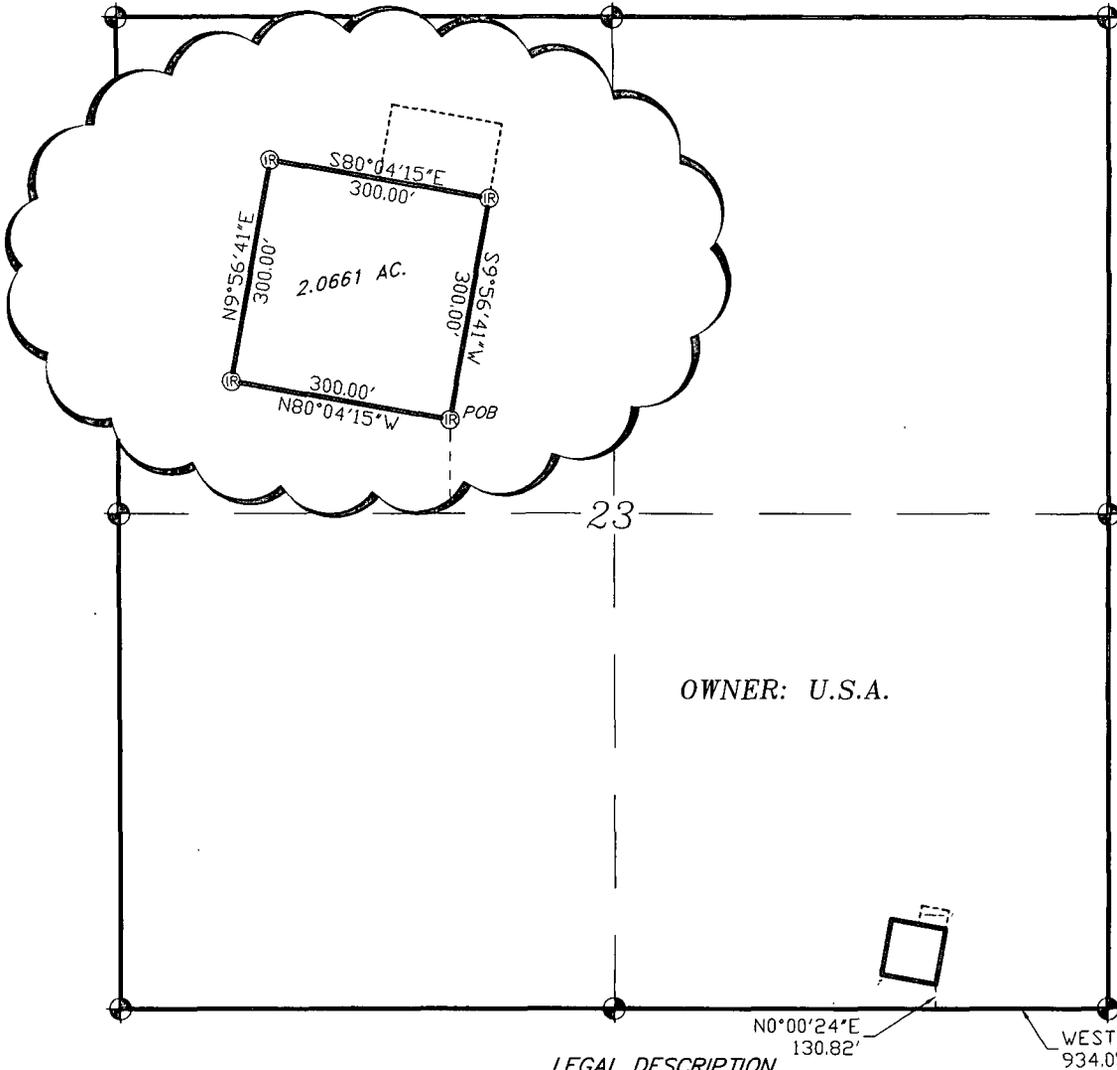
Survey Date: 03-06-2013

Scale: 1" = 2000'

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CIMAREX
ENERGY CO.
OF COLORADO

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



OWNER: U.S.A.

LEGAL DESCRIPTION

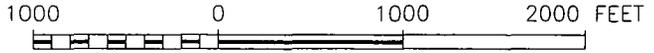
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BEGINNING AT A POINT WHICH LIES WEST, 934.05 FEET AND N.00°00'24\"E., 130.82 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE N.80°04'15\"W., 300.00 FEET; THENCE N.09°56'41\"E., 300.00 FEET; THENCE S.80°04'15\"E., 300.00 FEET; THENCE S.09°56'41\"W.,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

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GARY L. JONES No. 7977
P.L.S. No. 5074



CIMAREX ENERGY CO. OF COLORADO

REF: PROPOSED SANDY/49er FRAC TANK

A TRACT OF LAND IN
SECTION 23, TOWNSHIP 23 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

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

Date: 03-14-2013 Disk: KJG - 28307TRACT.DWG Survey Date: 03-06-2013 Sheet 1 of 2 Sheets

BLM LEASE NUMBER: NMNM114978

COMPANY NAME: Cimarex Energy Co. of Colorado

ASSOCIATED WELL NAME: Forty Niner Ridge 23 Federal 1H

FRAC POND CONDITIONS OF APPROVAL

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

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

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
3. Required Standard Conditions of Approval:
 - a. **Notification**
Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.
 - b. **Freshwater Only**
The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer in writing.
 - c. **Contamination**
If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly. The operator will preclude releases of oil into open pits. The operator must remove any accumulation of oil, condensate, or contaminant in a pit within 48 hours of discovery.
 - d. **Authorized Disturbance**
Confine all construction and maintenance activity to the approved authorized area applied for in the application.
 - e. **Facilities**
Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations. Grey-water, sewage, and trash shall be removed from the site and disposed of properly at a state approved facility.
 - f. **Escape Ramps**
The operator will construct and maintain frac ponds to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in frac ponds. Escape ramps must be installed at every corner of

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

g. Frac Pond Pipelines

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

h. Mineral Material from Excavation

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

i. Frac Pond Liner

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

j. Topsoil Stockpile

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

k. Frac Pond Fence

The operator will install and maintain enclosure fencing on all sides of the frac pond to prevent access to public, livestock, and large forms of wildlife. The fence shall be installed at the base of the berm and never on top of the berm.

Construction of the fence shall consist of steel and/or wooden posts set firmly into natural ground. Hog panel or chain-link fencing must be used as the fence and tied securely to the fence posts. Barbed-wire fencing or electric fences shall not be used. The fence height shall not be shorter than six (6) feet. The erected fence shall be maintained in adequate condition until the frac pond is reclaimed.

l. Erosion Prevention

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

m. Reclamation Start

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

Requirements for Operations and Final Reclamation:

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

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

5. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

6. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

7. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection – (575)234-5909, **prior** to beginning surface reclamation operations.

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

- | | |
|--|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input checked="" type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input type="checkbox"/> LPC mixture | <input type="checkbox"/> Aplomado Falcon mix |

9. Special Stipulations:

Cave/Karst Surface Mitigation

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

Construction:

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

No Blasting:

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

Leak Detection System:

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

Automatic Shut-off Systems:

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

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be 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:

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

*Pounds of pure live seed:

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