

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.
NMNM96827

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 28. Well Name and No.
OZLEY 25 FEDERAL 19. API Well No.
30-015-34684-00-C210. Field and Pool or Exploratory Area
CHOSA DRAW11. County or Parish, State
EDDY COUNTY, NM1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator Contact: TERRI STATHEM
CIMAREX ENERGY COMPANY OF CO-Mail: tstatthem@cimarex.com3a. Address
202 S CHEYENNE AVE SUITE 1000
TULSA, OK 74103.43463b. Phone No. (include area code)
Ph: 432-620-19364. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 25 T24S R25E SESE 330FSL 150FEL**12. CHECK THE 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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Recomplete	<input 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 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.

Cimarex Energy Co. respectfully requests approval to recomplete the well to the Strawn and dual complete with the Cisco Canyon/Wolfcamp completion.

Please see attached procedure, C102, and wellbore diagrams for your review and approval.

The Ozley 25 Federal #1 is completed in the Black River; Wolfcamp, SW (Gas) pool (97693). NMOCD Order R-14262 required pool change to (98220) Purple Sage - Wolfcamp (Gas) - C102 attached.

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 10 2017

RECEIVED**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #366782 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/14/2017 (17DLM0871SE)	
Name (Printed/Typed) TERRI STATHEM	Title MANAGER REGULATORY COMPLIANCE
Signature (Electronic Submission)	Date 02/11/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>CHARLES NIMMER</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>07/06/2017</u>
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 <u>Carlsbad</u>

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

RuP 7-10-17



Proposed WBD
KB : 23' above GL

Cimarex Energy Co. of Colorado

Ozley 25 Federal Com #1

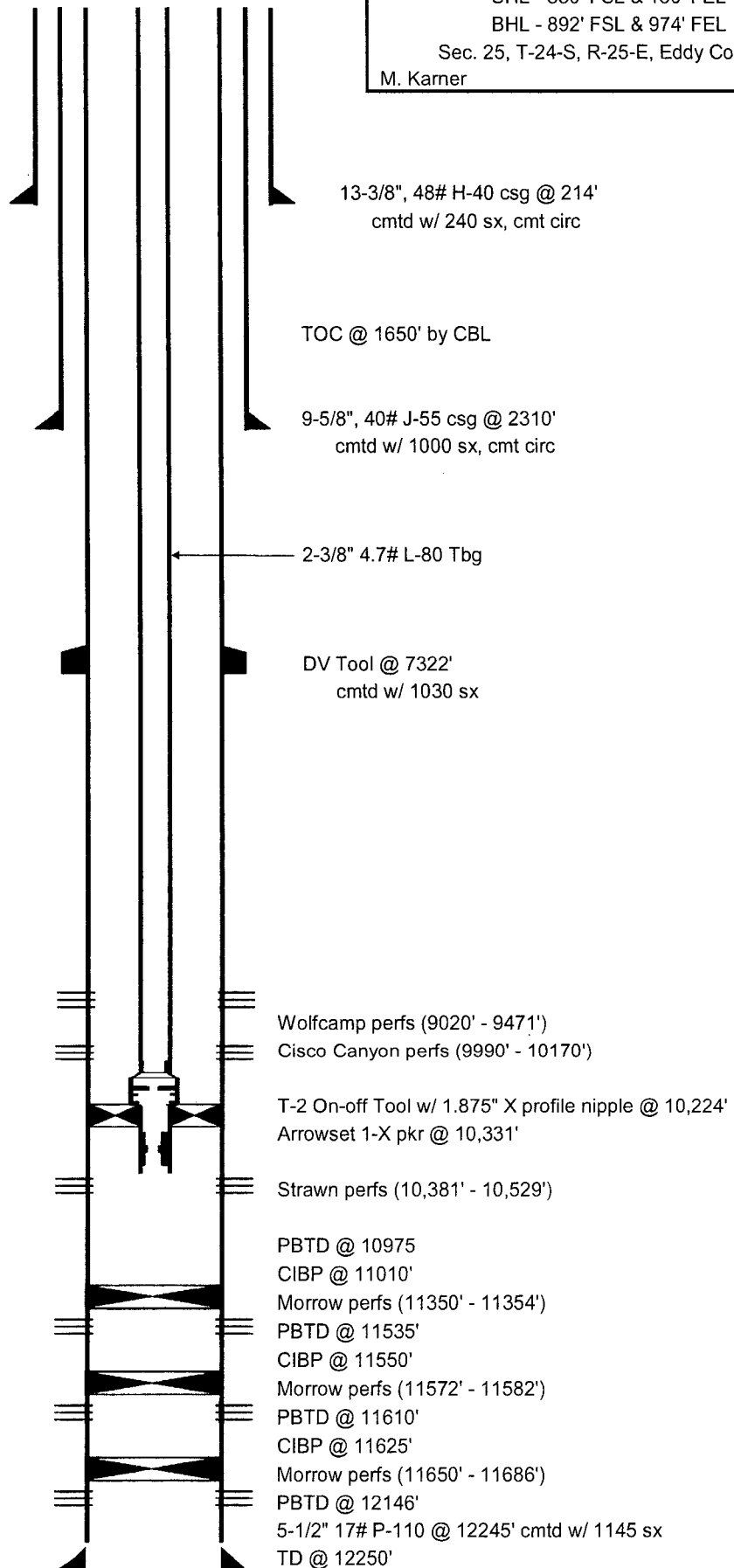
SHL - 330' FSL & 150' FEL

BHL - 892' FSL & 974' FEL

Sec. 25, T-24-S, R-25-E, Eddy Co., NM

M. Karner

02/07/2017





Current WBD
KB : 23' above GL

Cimarex Energy Co. of Colorado

Ozley 25 Federal Com #1

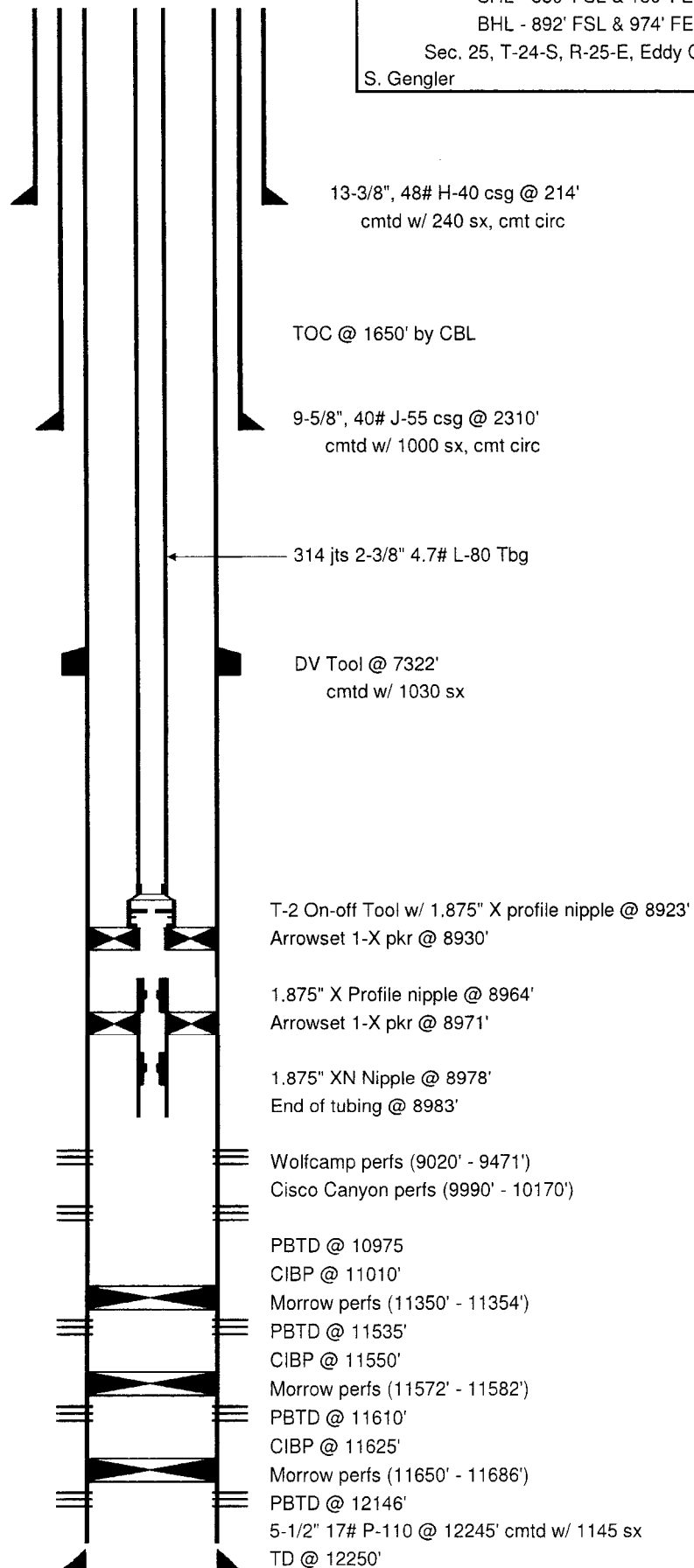
SHL - 330' FSL & 150' FEL

BHL - 892' FSL & 974' FEL

Sec. 25, T-24-S, R-25-E, Eddy Co., NM

S. Gengler

01/28/2011



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 Hrazos 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 30-015-34684	² Pool Code 98220	³ Pool Name Purple Sage – Wolfcamp (Gas)
⁴ Property Code 36137	⁵ Property Name Ozley 25 Federal	⁶ Well Number 1
⁷ OGRID No. 162683	⁸ Operator Name Cimarex Energy Co. of Colorado	⁹ Elevation 3759'

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
P	25	24S	25E		330	South	150	East	Eddy

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
P	25	24S	25E		892	South	974	East	Eddy

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL 5679-A, DHC 4417
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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.

<div style="text-align: right;"> <p>892'</p> <p>330'</p> <p>974'</p> <p>150'</p> </div>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature: <u>Terri Stathem</u> Date: <u>2-13-2017</u></p> <p>Printed Name: <u>Terri Stathem</u></p> <p>E-mail Address: <u>tstathem@cimarex.com</u></p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: _____</p> <p>Signature and Seal of Professional Surveyor: _____</p>	
	<p>Certificate Number: _____</p>	

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-34684	² Pool Code 98220	³ Pool Name WC-015 S2425361; Strawn Gas
⁴ Property Code 36137	⁵ Property Name Ozley 25 Federal	⁶ Well Number 1
⁷ OGRID No. 162683	⁸ Operator Name Cimarex Energy Co. of Colorado	⁹ Elevation 3759'

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	<p>Certificate Number: _____</p>



Ozley 25 Fed 1
Strawn Recompletion Procedure
Michael Karner 02/07/17

Well Data

KB	23'
TD	12,250'
PBTD	10,975'
Casing	13-3/8" 48# H-40 @ 214'. Cmt'd w/ 240 sx, cmt circ 9-5/8" 40# J-55 @ 2,310'. Cmt'd w/ 1,000 sx, cmt circ 5-1/2" 17# P-110 @ 12,245'. Cmt'd w/ 1,145 sx. TOC @ 1,650' by CBL
Tubing	2-3/8" 4.7# L-80 8rd
Current Prod. Perfs	Wolfcamp (9,020' – 9,471') & Cisco Canyon (9,990' – 10,170')
Proposed RC Perfs	Strawn (10,381' – 10,529')

Procedure

Notify BLM 24 hours prior to starting operations.

1. Test anchors prior to moving in rig.
2. Move in rig up pulling unit.
3. Kill well as necessary with 7% KCl.
4. Nipple down wellhead, nipple up 5,000 psi blow out preventer stack.
5. TOOH w/ 2-3/8" 4.7# L-80 tbg. Stand back tbg. Scan tubing during TOOH.
6. TIH w/ overshot and jars to fish 1.875" X profile nipple at 8,964' and AS-1X pkr at 8,971'
7. Latch into fish at 8,964' and jar until packer is released
8. TOOH w/ overshot, jars, and fish to surface. Stand back tbg
9. RU wireline
10. RIH w/ GR/JB to +/- 10,529'
11. RIH w/ casing guns to perforate Strawn 10,381' – 10,529'
12. RIH to set packer w/ pump out plug set to 1800 psi differential pressure at +/- 10,331'
13. RDMO Wireline
14. TIH w/ 2-3/8" tbg and gas lift valves to latch into packer
15. ND BOP, NU WH
16. RDMO pulling unit
17. RU pump truck and pump out plug
18. MIRU Propetro acid
19. Pump 19,000 total gallons of 15% NEFE HCl with 225 ball sealers down 2-3/8" tubing

20. Flush with 1 tubing volume 2% KCl
21. Put well on production. Swab well as necessary. Produce Strawn via tubing and produce Cisco Canyon and Wolfcamp via annulus.

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plug back operations shall commence within **ninety (90)** days from this approval. **If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement.

Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.** If plugging back to a new zone submit a Completion Report, form 3160-4 with the Subsequent Report.

7. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.