

**NM OIL CONSERVATION
ARTESIA DISTRICT**

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

SEP 20 2018

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		5. Lease Serial No. NMNM100332
2. Name of Operator CIMAREX ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 202 S. Cheyenne Ave., Ste 1000 Tulsa OK 74103		7. If Unit or CA Agreement, Name and No.
3b. Phone No. (include area code) (432)620-1936		8. Lease Name and Well No. SCOTER 6-31 FEDERAL COM 43H
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE / 365 FSL / 320 FEL / LAT 32.152886 / LONG -104.222019 At proposed prod. zone NENE / 330 FNL / 1242 FEL / LAT 32.165451 / LONG -104.225299		9. API Well No. 321000 30-01545265
10. Field and Pool, or Exploratory BONE SPRING / WILDCAT BONE SPRIN		11. Sec., T, R, M, or Blk. and Survey or Area SEC 6 / T25S / R27E / NMP Cottonwood Draw
14. Distance in miles and direction from nearest town or post office* 18 miles	12. County or Parish EDDY	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 320 feet	16. No of acres in lease 478.44	17. Spacing Unit dedicated to this well 159.09
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 20 feet	19. Proposed Depth 7208 feet / 11727 feet	20. BLM/BIA Bond No. in file FED: NMB001188
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3333 feet	22. Approximate date work will start* 08/01/2018	23. Estimated duration 30 days
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 (Electronic Submission)	Name (Printed/Typed) Aricka Easterling / Ph: (918)560-7060	Date 01/11/2018
Title Regulatory Analyst		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 09/10/2018
Title Assistant Field Manager Lands & Minerals		
Office CARLSBAD		

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.

APPROVED WITH CONDITIONS

Approval Date: 09/10/2018

RW 9-21-18

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 1: 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 well, 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 directionally 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 well 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 will 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 connects this information to an 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 Connection 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: SESE / 365 FSL / 320 FEL / TWSP: 25S / RANGE: 27E / SECTION: 6 / LAT: 32.152886 / LONG: -104.222019 (TVD: 0 feet, MD: 0 feet)
- PPP: SESE / 492 FSL / 1242 FEL / TWSP: 25S / RANGE: 27E / SECTION: 6 / LAT: 32.1532361 / LONG: -104.2251694 (TVD: 7132 feet, MD: 7243 feet)
- BHL: NENE / 330 FNL / 1242 FEL / TWSP: 25S / RANGE: 27E / SECTION: 6 / LAT: 32.165451 / LONG: -104.225299 (TVD: 7203 feet, MD: 11727 feet)

BLM Point of Contact

Name: Priscilla Perez
Title: Legal Instruments Examiner
Phone: 5752345934
Email: pperez@blm.gov

CONFIDENTIAL

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.

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U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Operator Certification Data Report

09/10/2018

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Aricka Easterling

Signed on: 01/11/2018

Title: Regulatory Analyst

Street Address: 202 S. Cheyenne Ave, Ste 1000

City: Tulsa

State: OK

Zip: 74103

Phone: (918)560-7060

Email address: aeasterling@cimarex.com

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

APD ID: 10400026136**Submission Date:** 01/11/2018Highlighted data
reflects the most
recent changes**Operator Name:** CIMAREX ENERGY COMPANY**Well Name:** SCOTER 6-31 FEDERAL COM**Well Number:** 43H[Show Final Text](#)**Well Type:** OIL WELL**Well Work Type:** Drill

Section 1 - General

APD ID: 10400026136**Tie to previous NOS?** 10400012607 **Submission Date:** 01/11/2018**BLM Office:** CARLSBAD**User:** Aricka Easterling**Title:** Regulatory Analyst**Federal/Indian APD:** FED**Is the first lease penetrated for production Federal or Indian?** FED**Lease number:** NMNM100332**Lease Acres:** 478.44**Surface access agreement in place?****Allotted?****Reservation:****Agreement in place?** NO**Federal or Indian agreement:****Agreement number:****Agreement name:****Keep application confidential?** YES**Permitting Agent?** NO**APD Operator:** CIMAREX ENERGY COMPANY**Operator letter of designation:**

Operator Info

Operator Organization Name: CIMAREX ENERGY COMPANY**Operator Address:** 202 S. Cheyenne Ave., Ste 1000**Zip:** 74103**Operator PO Box:****Operator City:** Tulsa**State:** OK**Operator Phone:** (432)620-1936**Operator Internet Address:** tstathem@cimarex.com

Section 2 - Well Information

Well in Master Development Plan? NO**Master Development Plan name:****Well in Master SUPO?** NO**Master SUPO name:****Well in Master Drilling Plan?** NO**Master Drilling Plan name:****Well Name:** SCOTER 6-31 FEDERAL COM**Well Number:** 43H**Well API Number:****Field/Pool or Exploratory?** Field and Pool**Field Name:** BONE SPRING**Pool Name:** WILDCAT BONE
SPRING**Is the proposed well in an area containing other mineral resources?** USEABLE WATER

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? YES New surface disturbance? N

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: SCOTER 6-31 FEDERAL COM

Number: E2E2 PAD

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 18 Miles

Distance to nearest well: 20 FT

Distance to lease line: 320 FT

Reservoir well spacing assigned acres Measurement: 159.09 Acres

Well plat: Scoter_6_31_Fed_Com_43H_C102_Plat_20180606103418.pdf

Well work start Date: 08/01/2018

Duration: 30 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	365	FSL	320	FEL	25S	27E	6	Aliquot SESE 6	32.152886	-104.222019	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 100332	3333	0	0
KOP Leg #1	365	FSL	1242	FEL	25S	27E	6	Aliquot SESE 9	32.152889	-104.224997	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 100332	-3479	6887	6812
PPP Leg #1	492	FSL	1242	FEL	25S	27E	6	Aliquot SESE 61	32.153236	-104.2251694	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 100332	-3799	7243	7132

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
EXIT Leg #1	330	FNL	124 2	FEL	25S	27E	6	Aliquot NENE 1	32.16545 1	- 104.2252 99	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 100332	- 387 5	117 27	720 8
BHL Leg #1	330	FNL	124 2	FEL	25S	27E	6	Aliquot NENE 1	32.16545 1	- 104.2252 99	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 100332	- 387 5	117 27	720 8



APD ID: 10400026136

Submission Date: 01/11/2018

Highlighted data
reflects the most
recent changes

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	RUSTLER	3279	0	0		USEABLE WATER	No
2	SALADO	1974	1305	1305		NONE	No
3	CASTILE	1356	1923	1923		NONE	No
4	BELL CANYON	1159	2120	2120		NATURAL GAS,OIL	No
5	CHERRY CANYON	227	3052	3052		NATURAL GAS,OIL	No
6	BRUSHY CANYON	-830	4109	4109		NATURAL GAS,OIL	No
7	BONE SPRING	-2380	5659	5659		NATURAL GAS,OIL	No
8	BONE SPRING 1ST	-3348	6627	6627		NATURAL GAS,OIL	No
9	BONE SPRING 2ND	-3853	7132	7132		NATURAL GAS,OIL	Yes
10	BONE SPRING 3RD	-5171	8450	8450		NATURAL GAS,OIL	No

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 400

Equipment: A BOP consisting of three rams, including one blind ram and two pipe rams and one annular preventer. An accumulator that meets the requirements in Onshore Order #2 for the pressure rating of the BOP stack. A rotating head may be installed as needed. A Kelly clock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

Requesting Variance? YES

Variance request: Co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Variance to include Hammer Union connections on lines downstream of the buffer tank only.

Testing Procedure: A multi-bowl wellhead system will be utilized. After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 3000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 3000 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

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

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 3000 psi. The surface casing string will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater. The casing string utilizing steel body pack-off will be tested to 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.

Choke Diagram Attachment:

Scoter_6_31_Fed_Com_43H_Choke_2M3M_20180111104958.pdf

BOP Diagram Attachment:

Scoter_6_31_Fed_Com_43H_BOP_2M_20180111104735.pdf

Pressure Rating (PSI): 3M

Rating Depth: 2100

Equipment: A BOP consisting of three rams, including one blind ram and two pipe rams and one annular preventer. An accumulator that meets the requirements in Onshore Order #2 for the pressure rating of the BOP stack. A rotating head may be installed as needed. A Kelly clock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

Requesting Variance? YES

Variance request: Co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Variance to include Hammer Union connections on lines downstream of the buffer tank only.

Testing Procedure: A multi-bowl wellhead system will be utilized. After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 3000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 3000 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 3000 psi. The surface casing string will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater. The casing string utilizing steel body pack-off will be tested to 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.

Choke Diagram Attachment:

Scoter_6_31_Fed_Com_43H_Choke_2M3M_20180111105011.pdf

BOP Diagram Attachment:

Scoter_6_31_Fed_Com_43H_BOP_3M_20180111105020.pdf

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	NON API	N	0	400	0	400		400	400	OTHER	48	STC	4.04	9.45	BUOY	16.77	BUOY	16.77
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	2100	0	2100	0	2100	2100	J-55	36	LTC	1.81	3.16	BUOY	5.99	BUOY	5.99
3	PRODUCTION	8.75	5.5	NEW	API	N	0	6882	0	6882	0	6882	6882	L-80	17	LTC	1.95	2.4	BUOY	2.76	BUOY	2.76
4	PRODUCTION	8.75	5.5	NEW	API	N	6882	11727	6882	11727	6882	11727	4845	L-80	17	BUTT	1.86	2.29	BUOY	71.63	BUOY	71.63

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Scoter_6_31_Fed_Com_43H_Spec_Sheet_20180111105306.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Scoter_6_31_Fed_Com_43H_Casing_Assumptions_20180608103543.pdf

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Casing Attachments

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Scoter_6_31_Fed_Com_43H_Casing_Assumptions_20180608103531.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Scoter_6_31_Fed_Com_43H_Casing_Assumptions_20180608103519.pdf

Casing ID: 4 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Scoter_6_31_Fed_Com_43H_Casing_Assumptions_20180608103508.pdf

Section 4 - Cement

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	400	61	1.72	13.5	104	50	Class C	Bentonite
SURFACE	Tail		0	400	195	1.34	14.8	260	25	Class C	LCM
INTERMEDIATE	Lead		0	2100	400	1.88	12.9	752	50	35:65 (POZ C)	Salt, Bentonite
INTERMEDIATE	Tail		0	2100	123	1.34	14.8	164	25	Class C	LCM
PRODUCTION	Lead		0	6882	430	3.64	10.3	1564	25	Tuned Light	LCM
PRODUCTION	Tail		0	6882	1037	1.3	14.2	1347	10	50:50 (POZ H)	Salt, Bentonite, Fluid Loss, Dispersant, SMS
PRODUCTION	Lead		6882	1172 7	430	3.64	10.3	1564	25	Tuned Light	LCM
PRODUCTION	Tail		6882	1172 7	1037	1.3	14.2	1347	10	50:50 (POZ H)	Salt, Bentonite, Fluid Loss, Dispersant, SMS

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials will be kept on location at all times in order to combat lost circulation or unexpected kicks. In order to run DSTs, open hole logs, and casing, the viscosity and water loss may have to be adjusted in order to meet these needs.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
2100	1172 7	OTHER : FW/Cut Brine	8.5	9							

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	400	SPUD MUD	8.3	8.8							
400	2100	SALT SATURATED	9.7	10.2							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

No DST Planned

List of open and cased hole logs run in the well:

CNL,DS,GR

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 3373

Anticipated Surface Pressure: 1787.24

Anticipated Bottom Hole Temperature(F): 145

Anticipated abnormal pressures, temperatures, or potential geologic hazards? YES

Describe:

Lost circulation may be encountered in the Delaware mountain group. Abnormal pressure as well as hole stability issues may be encountered in the Wolfcamp.

Contingency Plans geohazards description:

Lost circulation material will be available, as well as additional drilling fluid along with the fluid volume in the drilling rig pit system. Drilling fluid can be mixed on location or mixed in vendor mud plant and trucked to location if needed. Sufficient barite will be available to maintain appropriate mud weight for the Wolfcamp interval.

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Scoter_6_31_Fed_Com_43H_H2S_Plan_20180111110046.pdf

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Scoter_6_31_Fed_Com_43H_Directional_Plan_20180608103852.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

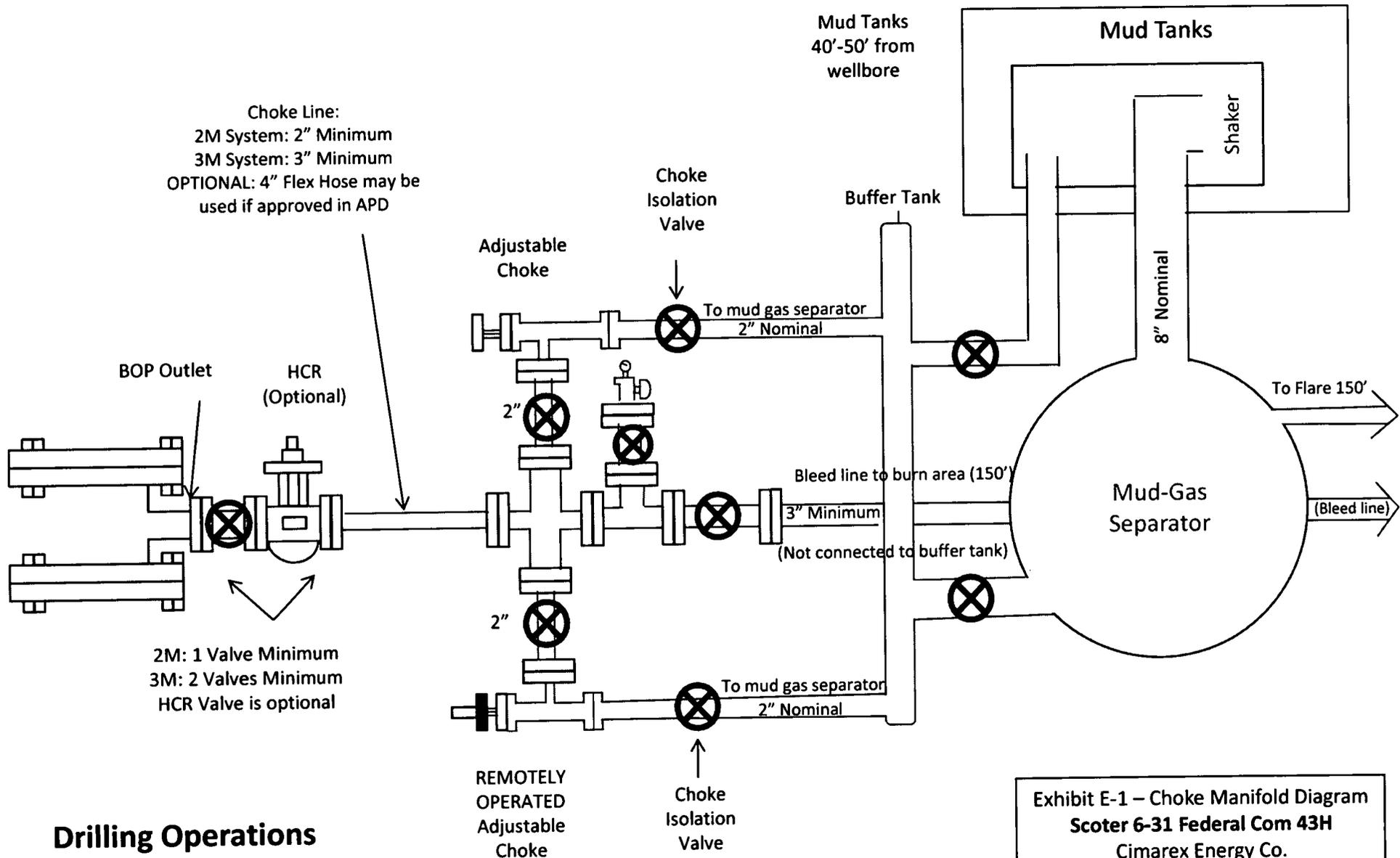
Scoter_6_31_Fed_Com_43H_Flex_Hose_20180111110119.pdf

Scoter_6_31_Fed_Com_43H_Drilling_Plan_20180608103918.pdf

Scoter_6_31_Fed_Com_43H_Multibowl_Wellhead_20180608103919.pdf

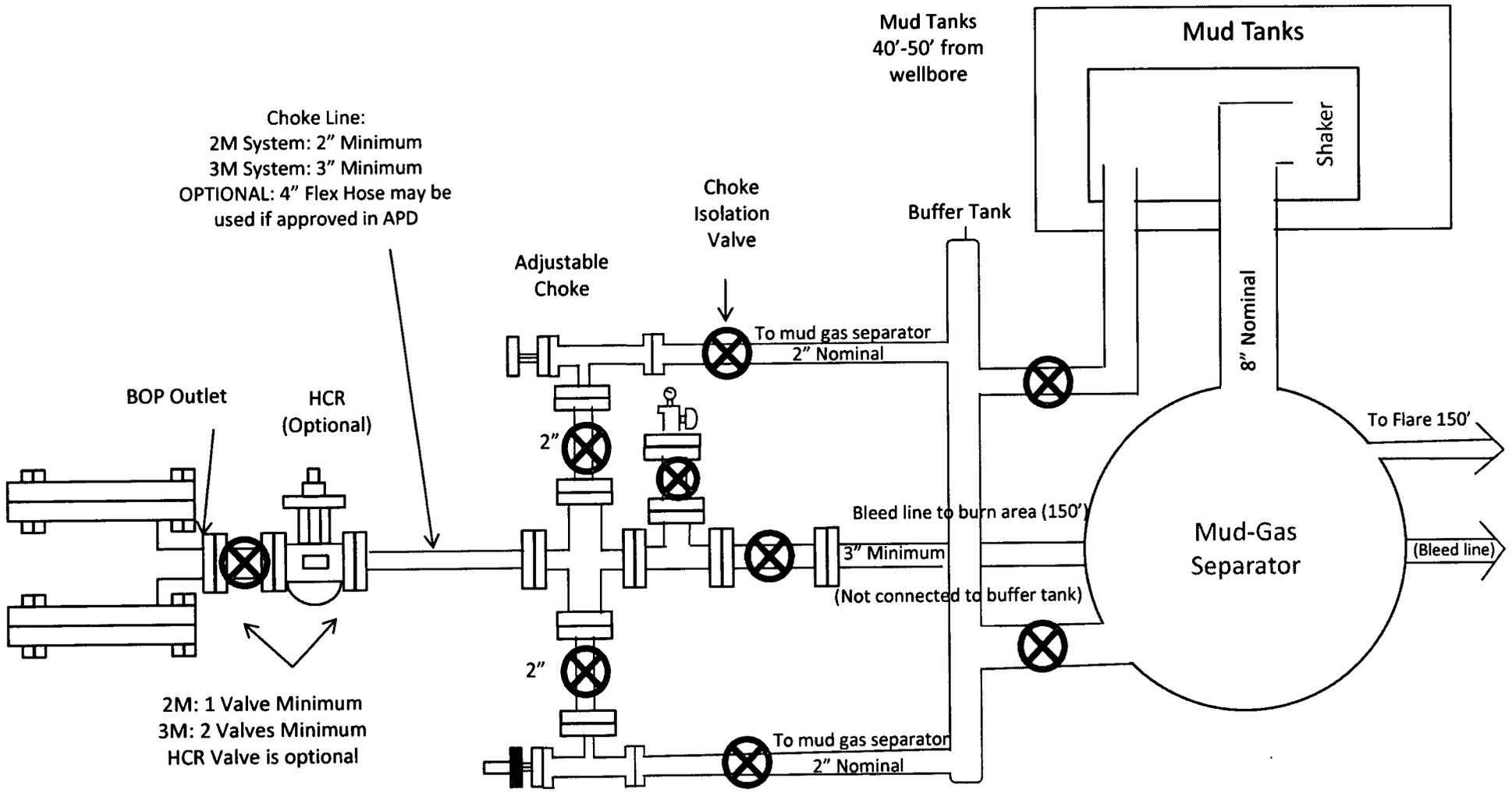
Scoter_6_31_Fed_Com_43H_Gas_Capture_Plan_20180608104244.pdf

Other Variance attachment:



**Drilling Operations
 Choke Manifold
 2M/3M Service**

**Exhibit E-1 – Choke Manifold Diagram
 Scoter 6-31 Federal Com 43H
 Cimarex Energy Co.
 6-25S-27E
 Eddy, NM**

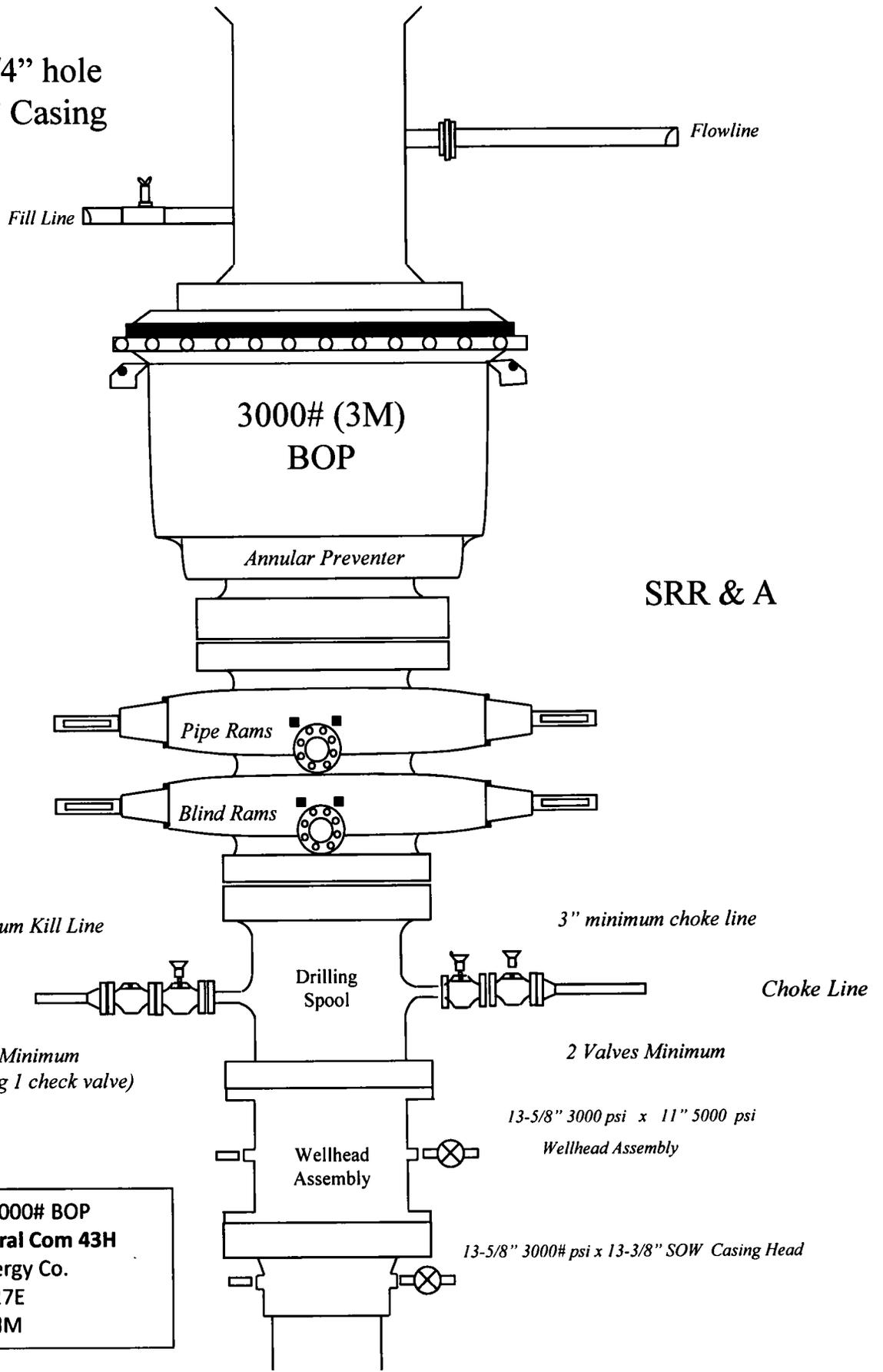


**Drilling Operations
 Choke Manifold
 2M/3M Service**

2M: 1 Valve Minimum
 3M: 2 Valves Minimum
 HCR Valve is optional

**Exhibit E-1 – Choke Manifold Diagram
 Scoter 6-31 Federal Com 43H
 Cimarex Energy Co.
 6-25S-27E
 Eddy, NM**

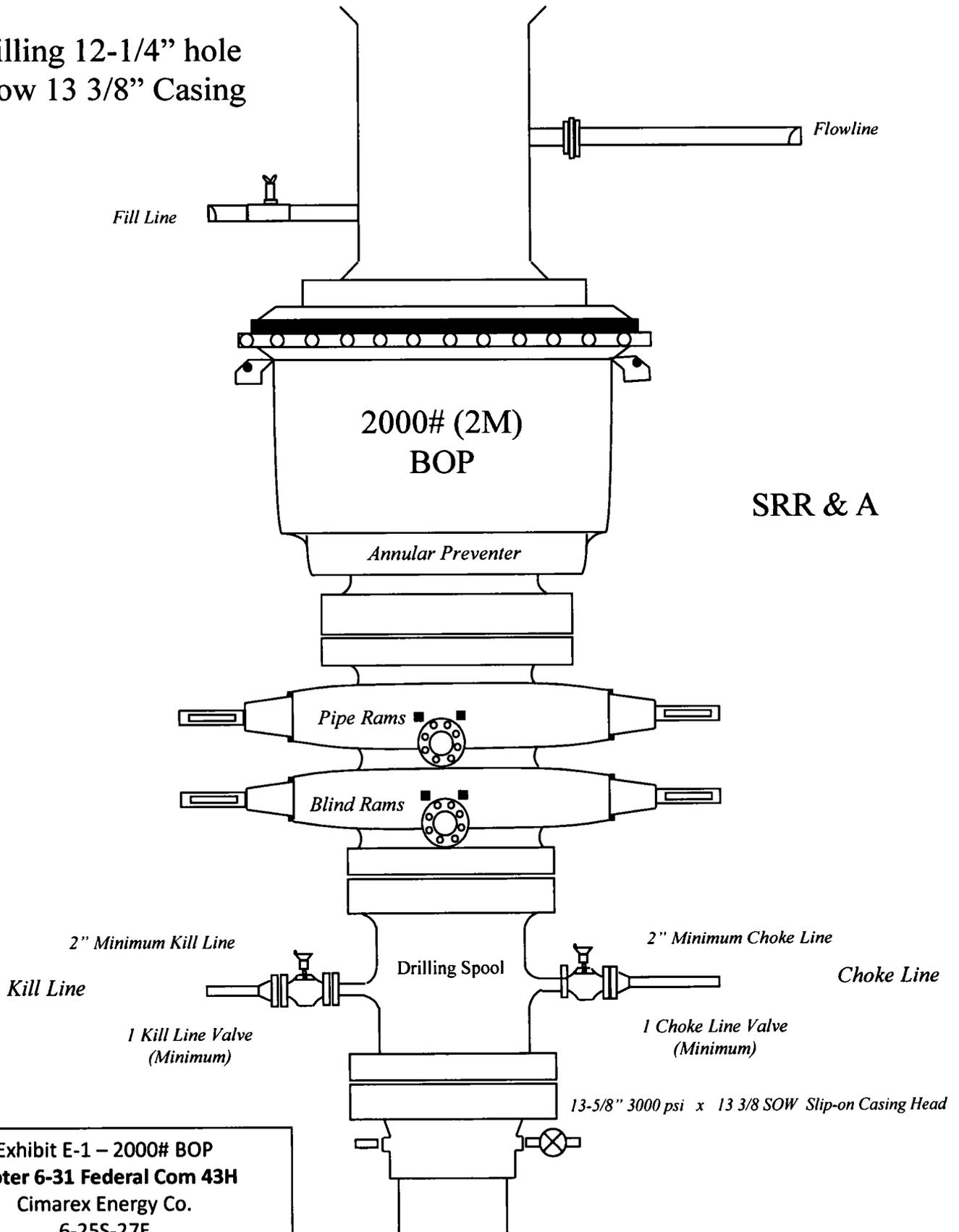
Drilling 8-3/4" hole
below 9 5/8" Casing



SRR & A

Exhibit E-1 – 3000# BOP
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
6-25S-27E
Eddy, NM

Drilling 12-1/4" hole
below 13 3/8" Casing



SRR & A

Exhibit E-1 – 2000# BOP
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
6-25S-27E
Eddy, NM

Print



Scoter 6-31 Federal Com 43H Surface Casing Spec Sheet

OCTG Performance Data

Casing Performance

Availability: ERW

Pipe Body Geometry

Outside Diameter:	13.375 in	Inside Diameter:	12.715 in
Wall Thickness:	0.330 in	Cross Section Area:	13.524 sq in
Nominal Weight:	48.00 lb/ft	Drift Diameter:	12.559 in
Plain End Weight:	46.02 lb/ft	Alternate Drift Diameter:	-

Pipe Body Performance

Grade:	H40	Collapse Strength (ERW):	740 psi
Pipe Body Yield Strength:	541000 lbf	Collapse Strength (SMLS):	-

SC Connection

Connection Geometry

	Optimum	Minimum	Maximum
Make Up Torque:	3220 lb-ft	2420 lb-ft	4030 lb-ft
Coupling Outside Diameter:	14.375 in		

Connection Performance

Grade:	H40	Minimum Internal Yield Pressure:	1730 psi
Joint Strength:	322000 lbf		

LC Connection

Connection Geometry

	Optimum	Minimum	Maximum
Make Up Torque:	-	-	-
Coupling Outside Diameter:	14.375 in		

Connection Performance

Grade:	H40	Minimum Internal Yield Pressure:	-
Joint Strength:	-		

BC Connection

Connection Geometry

	Optimum	Minimum	Maximum
Make Up Torque:	-	-	-
Coupling Outside Diameter:	14.375 in		

Connection Performance

Grade:	H40	Minimum Internal Yield Pressure:	-
Joint Strength:	-		

PE Connection

Connection Geometry

	Optimum	Minimum	Maximum
Make Up Torque:	-	-	-
Coupling Outside Diameter:	14.375 in		

Connection Performance

Grade:	H40	Minimum Internal Yield Pressure:	1730 psi
Joint Strength:	-		

Scoter 6-31 Federal Com 43H
Casing Assumptions

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	400	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	4.04	9.45	16.77
12 1/4	0	2100	9-5/8"	36.00	J-55	LT&C	1.81	3.16	5.99
8 3/4	0	6882	5-1/2"	17.00	L-80	LT&C	1.95	2.40	2.76
8 3/4	6882	11727	5-1/2"	17.00	L-80	BT&C	1.86	2.29	71.63
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

Scoter 6-31 Federal Com 43H
Casing Assumptions

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	400	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	4.04	9.45	16.77
12 1/4	0	2100	9-5/8"	36.00	J-55	LT&C	1.81	3.16	5.99
8 3/4	0	6882	5-1/2"	17.00	L-80	LT&C	1.95	2.40	2.76
8 3/4	6882	11727	5-1/2"	17.00	L-80	BT&C	1.86	2.29	71.63
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

Scoter 6-31 Federal Com 43H
Casing Assumptions

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
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12 1/4	0	2100	9-5/8"	36.00	J-55	LT&C	1.81	3.16	5.99
8 3/4	0	6882	5-1/2"	17.00	L-80	LT&C	1.95	2.40	2.76
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BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

Scoter 6-31 Federal Com 43H
Casing Assumptions

2. Casing Program

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17 1/2	0	400	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	4.04	9.45	16.77
12 1/4	0	2100	9-5/8"	36.00	J-55	LT&C	1.81	3.16	5.99
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8 3/4	6882	11727	5-1/2"	17.00	L-80	BT&C	1.86	2.29	71.63
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

Hydrogen Sulfide Drilling Operations Plan
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
UL P, Sec. 6, 25S, 27E
Eddy 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 H₂S
 - 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.

H₂S 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 (H₂S 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 H₂S 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.

H₂S Contingency Plan
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
UL P, Sec. 6, 25S, 27E
Eddy Co., NM

Emergency Procedures

In the event of a release of gas containing H₂S, 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 H₂S 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 H₂S, 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 (SO₂). Intentional ignition must be coordinated with the NMOC 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 H₂S and SO₂

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).

H₂S Contingency Plan Emergency Contacts
Scoter 6-31 Federal Com 43H
 Cimarex Energy Co.
 UL P, Sec. 6, 25S, 27E
 Eddy 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	

Cimarex Scoter 6-31 Federal Com 43H Rev1 RM 05June18 Proposal
Geodetic Report
 (Non-Def Plan)



Report Date: June 05, 2018 - 03:56 PM
Client: Cimarex
Field: NM Eddy County (NAD 83)
Structure / Slot: Cimarex Scoter 6-31 Federal Com 43H / Cimarex Scoter 6-31 Federal Com 43H
Well: Cimarex Scoter 6-31 Federal Com 43H
Borehole: Original Borehole
UWI / API#: Unknown / Unknown
Survey Name: Cimarex Scoter 6-31 Federal Com 43H Rev1 RM 05June18
Survey Date: January 05, 2018
Tort / AHD / DDI / ERD Ratio: 100.256 * / 5432.988 ft / 5.943 / 0.748
Coordinate Reference System: NAD83 New Mexico State Plane, Eastern Zone, US Feet
Location Lat / Long: N 32° 9' 10.38708", W 104° 13' 19.26871"
Location Grid N/E Y/X: N 419372.800 RUS, E 575788.390 RUS
CRS Grid Convergence Angle: 0.0592 *
Grid Scale Factor: 0.99991045
Version / Patch: 2.10.715.0

Survey / DLS Computation: Minimum Curvature / Lubinski
Vertical Section Azimuth: 356.770 * (Grid North)
Vertical Section Origin: 0.000 ft, 0.000 ft
TVD Reference Datum: RKB
TVD Reference Elevation: 3357.200 ft above MSL
Seabed / Ground Elevation: 3333.200 ft above MSL
Magnetic Declination: 7.377 *
Total Gravity Field Strength: 998.4322mgm (9.80665 Based)
Gravity Model: GARM
Total Magnetic Field Strength: 47916.864 nT
Magnetic Dip Angle: 59.858 *
Declination Date: June 05, 2018
Magnetic Declination Model: HDGM 2017
North Reference: Grid North
Grid Convergence Used: 0.0592 *
Total Corr Mag North->Grid North: 7.3173 *
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 [365' FSL, 320' FEL]	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	100.00	0.00	270.00	100.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	200.00	0.00	270.00	200.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	300.00	0.00	270.00	300.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	400.00	0.00	270.00	400.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	500.00	0.00	270.00	500.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	600.00	0.00	270.00	600.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	700.00	0.00	270.00	700.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	800.00	0.00	270.00	800.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	900.00	0.00	270.00	900.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	1000.00	0.00	270.00	1000.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	1100.00	0.00	270.00	1100.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	1200.00	0.00	270.00	1200.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	1300.00	0.00	270.00	1300.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
Salado	1305.00	0.00	270.00	1305.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	1400.00	0.00	270.00	1400.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
Nudge 2'/100' DLS	1500.00	0.00	270.00	1500.00	0.00	0.00	0.00	0.00	419372.80	575788.39	N 32 9 10.39 W 104 13 19.27	
	1600.00	2.00	270.00	1599.98	0.04	0.00	-1.75	2.00	419372.80	575784.85	N 32 9 10.39 W 104 13 19.29	
	1700.00	4.00	270.00	1699.84	0.15	0.00	-6.98	2.00	419372.80	575779.41	N 32 9 10.39 W 104 13 19.35	
	1800.00	6.00	270.00	1799.45	0.34	0.00	-15.69	2.00	419372.80	575770.70	N 32 9 10.39 W 104 13 19.45	
	1900.00	8.00	270.00	1898.70	0.80	0.00	-27.88	2.00	419372.80	575758.51	N 32 9 10.39 W 104 13 19.59	
Castile	1924.55	8.49	270.00	1923.00	0.67	0.00	-31.40	2.00	419372.80	575754.99	N 32 9 10.39 W 104 13 19.63	
Hold Nudge	1971.01	9.42	270.00	1968.89	0.83	0.00	-36.63	2.00	419372.80	575747.76	N 32 9 10.39 W 104 13 19.72	
	2000.00	9.42	270.00	1997.49	0.93	0.00	-43.38	0.00	419372.80	575743.02	N 32 9 10.39 W 104 13 19.77	
	2100.00	9.42	270.00	2098.14	1.28	0.00	-59.75	0.00	419372.80	575726.65	N 32 9 10.39 W 104 13 19.96	

Comments	MD (ft)	Incl (°)	Azimuth (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (ft/100ft)	Northings (ftUS)	Eastings (ftUS)	Latitude (N/S...)	Longitude (E/W...)
Bell Canyon	2124.16	8.42	270.00	2120.00	1.83	0.00	-43.70	0.00	418372.80	575722.69	N 32 8 10.39 W	104 13 20.07
	2200.00	8.42	270.00	2184.78	1.83	0.00	-78.11	0.00	418372.80	575710.28	N 32 8 10.39 W	104 13 20.15
	2300.00	8.42	270.00	2283.44	1.89	0.00	-82.48	0.00	418372.80	575693.82	N 32 8 10.39 W	104 13 20.34
	2400.00	8.42	270.00	2382.10	2.34	0.00	-108.85	0.00	418372.80	575677.55	N 32 8 10.39 W	104 13 20.53
	2500.00	8.42	270.00	2480.75	2.88	0.00	-125.21	0.00	418372.80	575661.19	N 32 8 10.39 W	104 13 20.72
	2600.00	8.42	270.00	2588.05	3.94	0.00	-141.58	0.00	418372.80	575644.82	N 32 8 10.39 W	104 13 20.91
	2700.00	8.42	270.00	2688.00	3.99	0.00	-157.85	0.00	418372.80	575628.46	N 32 8 10.39 W	104 13 21.10
	2800.00	8.42	270.00	2788.70	3.78	0.00	-174.32	0.00	418372.80	575612.09	N 32 8 10.39 W	104 13 21.29
	2900.00	8.42	270.00	2885.35	4.09	0.00	-190.88	0.00	418372.80	575595.72	N 32 8 10.39 W	104 13 21.48
	3000.00	8.42	270.00	2984.00	4.44	0.00	-207.05	0.00	418372.80	575578.36	N 32 8 10.39 W	104 13 21.68
	3068.92	8.42	270.00	3082.66	4.69	0.00	-214.32	0.00	418372.80	575568.69	N 32 8 10.39 W	104 13 21.87
	3100.00	8.42	270.00	3082.66	4.80	0.00	-220.42	0.00	418372.80	575566.89	N 32 8 10.39 W	104 13 21.87
	3200.00	8.42	270.00	3181.81	5.15	0.00	-226.76	0.00	418372.80	575564.63	N 32 8 10.39 W	104 13 22.06
	3300.00	8.42	270.00	3278.96	5.50	0.00	-238.15	0.00	418372.80	575550.28	N 32 8 10.39 W	104 13 22.25
	3400.00	8.42	270.00	3378.61	5.85	0.00	-252.42	0.00	418372.80	575530.28	N 32 8 10.39 W	104 13 22.44
	3500.00	8.42	270.00	3477.26	6.20	0.00	-268.76	0.00	418372.80	575514.53	N 32 8 10.39 W	104 13 22.63
	3600.00	8.42	270.00	3575.91	6.55	0.00	-285.35	0.00	418372.80	575497.53	N 32 8 10.39 W	104 13 22.82
	3700.00	8.42	270.00	3674.52	6.80	0.00	-301.85	0.00	418372.80	575481.16	N 32 8 10.39 W	104 13 23.01
	3800.00	8.42	270.00	3773.22	7.28	0.00	-321.42	0.00	418372.80	575464.80	N 32 8 10.39 W	104 13 23.20
	3900.00	8.42	270.00	3871.87	7.61	0.00	-344.35	0.00	418372.80	575442.07	N 32 8 10.39 W	104 13 23.58
	4000.00	8.42	270.00	3970.52	7.90	0.00	-370.72	0.00	418372.80	575415.70	N 32 8 10.39 W	104 13 23.77
	4100.00	8.42	270.00	4068.17	8.31	0.00	-397.76	0.00	418372.80	575398.34	N 32 8 10.39 W	104 13 23.96
	4140.37	8.42	270.00	4109.00	8.45	0.00	-403.36	0.00	418372.80	575392.73	N 32 8 10.39 W	104 13 23.77
	4200.00	8.42	270.00	4167.82	8.68	0.00	-418.82	0.00	418372.80	575382.97	N 32 8 10.39 W	104 13 23.65
	4300.00	8.42	270.00	4286.47	8.01	0.00	-438.18	0.00	418372.80	575396.80	N 32 8 10.39 W	104 13 24.15
	4400.00	8.42	270.00	4385.13	8.36	0.00	-458.18	0.00	418372.80	575350.24	N 32 8 10.39 W	104 13 24.34
	4500.00	8.42	270.00	4483.78	8.71	0.00	-482.56	0.00	418372.80	575333.87	N 32 8 10.39 W	104 13 24.53
	4600.00	8.42	270.00	4582.43	9.07	0.00	-507.88	0.00	418372.80	575317.51	N 32 8 10.39 W	104 13 24.72
	4700.00	8.42	270.00	4681.08	10.07	0.00	-545.28	0.00	418372.80	575294.78	N 32 8 10.39 W	104 13 24.91
	4800.00	8.42	270.00	4788.73	10.77	0.00	-591.86	0.00	418372.80	575288.41	N 32 8 10.39 W	104 13 25.10
	4900.00	8.42	270.00	4898.38	11.12	0.00	-634.39	0.00	418372.80	575282.04	N 32 8 10.39 W	104 13 25.29
	5000.00	8.42	270.00	4957.03	11.47	0.00	-650.88	0.00	418372.80	575252.68	N 32 8 10.39 W	104 13 25.67
	5100.00	8.42	270.00	5055.68	11.82	0.00	-685.78	0.00	418372.80	575216.91	N 32 8 10.39 W	104 13 25.67
	5200.00	8.42	270.00	5154.34	12.17	0.00	-730.50	0.00	418372.80	575202.85	N 32 8 10.39 W	104 13 26.05
	5300.00	8.42	270.00	5252.99	12.53	0.00	-783.50	0.00	418372.80	575187.68	N 32 8 10.39 W	104 13 26.23
	5393.27	8.42	270.00	5345.00	12.85	0.00	-848.88	0.00	418372.80	575188.58	N 32 8 10.39 W	104 13 26.74
	5400.00	8.42	270.00	5351.84	13.23	0.00	-891.70	0.00	418372.80	575170.22	N 32 8 10.39 W	104 13 26.43
	5500.00	8.42	270.00	5450.29	13.58	0.00	-932.80	0.00	418372.80	575153.85	N 32 8 10.39 W	104 13 26.82
	5600.00	8.42	270.00	5548.64	13.93	0.00	-968.88	0.00	418372.80	575137.48	N 32 8 10.39 W	104 13 26.82
	5700.00	8.42	270.00	5647.59	13.97	0.00	-1000.00	0.00	418372.80	575138.59	N 32 8 10.39 W	104 13 26.82
	5771.56	8.42	270.00	5659.00	14.28	0.00	-1055.33	0.00	418372.80	575121.12	N 32 8 10.39 W	104 13 27.01
	5800.00	8.42	270.00	5749.25	14.43	0.00	-1072.09	0.00	418372.80	575114.36	N 32 8 10.39 W	104 13 27.08
	5841.31	8.42	270.00	5787.00	14.63	0.00	-1081.70	0.00	418372.80	575104.75	N 32 8 10.39 W	104 13 27.20
	5900.00	8.42	270.00	5844.80	14.88	0.00	-1098.07	0.00	418372.80	575088.39	N 32 8 10.39 W	104 13 27.38
	6000.00	8.42	270.00	5943.55	15.34	0.00	-1144.43	0.00	418372.80	575072.02	N 32 8 10.39 W	104 13 27.56
	6100.00	8.42	270.00	6042.20	15.55	0.00	-1182.80	0.00	418372.80	575061.84	N 32 8 10.39 W	104 13 27.69
	6161.63	8.42	270.00	6103.00	15.69	0.00	-1204.52	0.00	418372.80	575056.86	N 32 8 10.39 W	104 13 27.77
	6200.00	8.42	270.00	6140.85	16.04	0.00	-1247.17	0.00	418372.80	575039.28	N 32 8 10.39 W	104 13 27.86
	6300.00	8.42	270.00	6238.50	16.39	0.00	-1293.53	0.00	418372.80	575022.92	N 32 8 10.39 W	104 13 28.15
	6400.00	8.42	270.00	6336.16	16.74	0.00	-1343.80	0.00	418372.80	575006.56	N 32 8 10.39 W	104 13 28.54
	6500.00	8.42	270.00	6438.81	17.09	0.00	-1397.27	0.00	418372.80	574990.19	N 32 8 10.40 W	104 13 28.53
	6600.00	8.42	270.00	6535.46	17.42	0.00	-1454.46	0.00	418372.80	574975.01	N 32 8 10.40 W	104 13 28.71
	6692.79	8.42	270.00	6627.00	17.44	0.00	-1464.64	0.00	418372.80	574973.83	N 32 8 10.40 W	104 13 28.72
	6700.00	8.42	270.00	6634.11	17.80	0.00	-1520.00	0.00	418372.80	574957.49	N 32 8 10.40 W	104 13 28.91
	6800.00	8.42	270.00	6732.76	17.80	0.00	-1580.00	0.00	418372.80			

Drilling Office 2.10.7150

Original BoreholeCameraex Scatter 6-31 Federal Com 43H Rev1 RM 05June18

Comments	MD	Incl	Azim Grid	TVD	VSEC	NS	EW	DLS	Northing	Easting	Latitude	Longitude
KOP - Build	(ft)	($^{\circ}$)	($^{\circ}$)	(ft)	(ft)	(ft)	(ft)	(ft/100ft)	(ftUS)	(ftUS)	(N/S... $^{\circ}$)	(E/W... $^{\circ}$)
12/1/00 DLS	6882.29	9.42	270.00	6813.94	18.08	0.00	-842.47	0.00	419372.80	574943.98	N 32.9 10.40 W 104.13 29.07	
	6800.00	9.70	282.70	6831.41	18.48	0.33	-845.38	12.00	419373.13	574941.08	N 32.9 10.40 W 104.13 29.10	
	7000.00	17.11	326.00	6828.83	32.93	14.43	-861.89	12.00	419381.23	574924.58	N 32.9 10.54 W 104.13 29.28	
	7100.00	27.87	340.32	7021.16	67.60	48.77	-878.05	12.00	419421.56	574908.42	N 32.9 10.88 W 104.13 29.48	
	7200.00	39.32	346.81	7104.34	120.88	101.83	-893.15	12.00	419474.82	574893.32	N 32.9 11.40 W 104.13 29.65	
2nd Bone	7236.92	43.01	348.57	7132.00	144.97	125.72	-899.32	12.00	419498.50	574888.15	N 32.9 11.64 W 104.13 29.71	
Spring SS	7300.00	50.99	350.87	7174.75	180.73	171.31	-906.53	12.00	419544.09	574879.64	N 32.9 12.09 W 104.13 29.81	
	7400.00	62.78	353.70	7229.31	273.86	254.16	-917.82	12.00	419626.83	574888.88	N 32.9 12.81 W 104.13 29.94	
	7500.00	74.57	355.87	7285.63	366.50	346.76	-925.81	12.00	419716.53	574890.58	N 32.9 13.83 W 104.13 30.03	
	7600.00	86.40	358.00	7292.13	484.95	445.07	-931.06	12.00	419817.83	574855.41	N 32.9 14.80 W 104.13 30.09	
	7639.25	91.05	358.77	7293.00	504.19	484.29	-932.17	12.00	419857.04	574854.31	N 32.9 15.19 W 104.13 30.10	
	7700.00	91.05	358.77	7291.88	564.92	545.01	-935.42	0.00	419817.76	574853.00	N 32.9 15.79 W 104.13 30.12	
	7800.00	91.05	358.77	7278.22	684.89	644.97	-937.76	0.00	420017.71	574850.86	N 32.9 16.78 W 104.13 30.14	
	8000.00	91.05	358.77	7276.36	864.87	844.89	-939.81	0.00	420217.61	574848.71	N 32.9 17.77 W 104.13 30.17	
	8100.00	91.05	358.77	7271.55	1064.84	1044.85	-942.06	0.00	420317.56	574844.42	N 32.9 18.75 W 104.13 30.21	
	8200.00	91.05	358.77	7272.71	1164.82	1144.81	-944.20	0.00	420417.51	574840.13	N 32.9 20.72 W 104.13 30.24	
	8300.00	91.05	358.77	7270.86	1284.80	1244.73	-946.35	0.00	420517.46	574837.98	N 32.9 22.71 W 104.13 30.28	
	8400.00	91.05	358.77	7269.04	1364.77	1344.68	-948.48	0.00	420717.37	574835.84	N 32.9 24.69 W 104.13 30.31	
	8500.00	91.05	358.77	7268.21	1464.75	1444.65	-952.78	0.00	420917.27	574833.69	N 32.9 26.67 W 104.13 30.33	
	8600.00	91.05	358.77	7265.37	1564.75	1544.61	-954.93	0.00	420917.27	574831.54	N 32.9 28.65 W 104.13 30.36	
	8700.00	91.05	358.77	7263.54	1664.74	1644.57	-957.08	0.00	420917.22	574829.40	N 32.9 30.63 W 104.13 30.38	
	8800.00	91.05	358.77	7261.70	1764.72	1744.53	-958.23	0.00	421117.17	574827.25	N 32.9 32.61 W 104.13 30.40	
	8900.00	91.05	358.77	7259.87	1864.69	1844.49	-961.37	0.00	421317.12	574825.11	N 32.9 34.59 W 104.13 30.43	
	9000.00	91.05	358.77	7258.03	1964.67	1944.45	-963.52	0.00	421517.07	574822.96	N 32.9 36.57 W 104.13 30.45	
	9100.00	91.05	358.77	7256.20	2064.65	2044.41	-965.67	0.00	421717.02	574820.81	N 32.9 38.55 W 104.13 30.48	
	9200.00	91.05	358.77	7254.36	2164.63	2144.37	-967.81	0.00	421916.98	574818.67	N 32.9 40.53 W 104.13 30.50	
	9300.00	91.05	358.77	7252.53	2264.62	2244.33	-969.96	0.00	422116.93	574816.52	N 32.9 42.51 W 104.13 30.52	
	9400.00	91.05	358.77	7250.70	2364.61	2344.29	-972.10	0.00	422316.88	574814.37	N 32.9 44.49 W 104.13 30.55	
	9500.00	91.05	358.77	7248.86	2464.60	2444.25	-974.25	0.00	422516.83	574812.23	N 32.9 46.47 W 104.13 30.57	
	9600.00	91.05	358.77	7247.03	2564.59	2544.21	-976.40	0.00	422716.78	574810.08	N 32.9 48.45 W 104.13 30.62	
	9700.00	91.05	358.77	7245.19	2664.57	2644.17	-978.54	0.00	422916.73	574807.94	N 32.9 50.43 W 104.13 30.64	
	9800.00	91.05	358.77	7243.36	2764.56	2744.13	-980.69	0.00	423116.68	574805.79	N 32.9 52.41 W 104.13 30.67	
	9900.00	91.05	358.77	7241.52	2864.55	2844.09	-982.84	0.00	423316.63	574803.64	N 32.9 54.39 W 104.13 30.69	
	10000.00	91.05	358.77	7239.69	2964.53	2944.05	-984.98	0.00	423516.58	574801.50	N 32.9 56.37 W 104.13 30.71	
	10100.00	91.05	358.77	7237.85	3064.52	3044.01	-987.13	0.00	423716.53	574799.35	N 32.9 58.35 W 104.13 30.74	
	10200.00	91.05	358.77	7236.02	3164.50	3143.97	-989.27	0.00	423916.48	574797.21	N 32.9 60.33 W 104.13 30.77	
	10300.00	91.05	358.77	7234.18	3264.49	3243.93	-991.42	0.00	424116.44	574795.06	N 32.9 62.31 W 104.13 30.78	
	10400.00	91.05	358.77	7232.35	3364.48	3343.89	-993.57	0.00	424316.39	574792.91	N 32.9 64.29 W 104.13 30.79	
	10500.00	91.05	358.77	7230.51	3464.46	3443.85	-995.71	0.00	424516.34	574790.77	N 32.9 66.27 W 104.13 30.81	
	10600.00	91.05	358.77	7228.68	3564.45	3543.81	-997.86	0.00	424716.29	574788.62	N 32.9 68.25 W 104.13 30.83	
	10700.00	91.05	358.77	7226.84	3664.42	3643.77	-999.99	0.00	424916.24	574786.48	N 32.9 70.23 W 104.13 30.86	
	10800.00	91.05	358.77	7225.01	3764.40	3743.73	-1002.13	0.00	425116.19	574784.33	N 32.9 72.21 W 104.13 30.88	
	10900.00	91.05	358.77	7223.17	3864.39	3843.69	-1004.28	0.00	425316.14	574782.18	N 32.9 74.19 W 104.13 30.90	
	11000.00	91.05	358.77	7221.34	3964.38	3943.65	-1006.44	0.00	425516.09	574780.04	N 32.9 76.17 W 104.13 30.93	
	11100.00	91.05	358.77	7219.50	4064.35	4043.61	-1008.59	0.00	425716.04	574777.89	N 32.9 78.15 W 104.13 30.95	
	11200.00	91.05	358.77	7217.67	4164.32	4143.57	-1010.74	0.00	425915.99	574775.75	N 32.9 80.13 W 104.13 30.97	
	11300.00	91.05	358.77	7215.84	4264.30	4243.53	-1012.88	0.00	426115.94	574773.60	N 32.9 82.11 W 104.13 31.00	
	11400.00	91.05	358.77	7214.00	4364.28	4343.49	-1015.03	0.00	426315.89	574771.45	N 32.9 84.09 W 104.13 31.02	
	11500.00	91.05	358.77	7212.17	4464.26	4443.45	-1017.18	0.00	426515.84	574769.31	N 32.9 86.07 W 104.13 31.05	
	11600.00	91.05	358.77	7210.33	4564.25	4543.41	-1019.32	0.00	426715.79	574767.16	N 32.9 88.05 W 104.13 31.07	
	11700.00	91.05	358.77	7208.50				0.00	426915.74	574765.01	N 32.9 90.03 W 104.13 31.09	

Comments	MD (ft)	Incl (°)	Adm Grd (°)	TYD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (1/100ft)	Northng (NUS)	Eastng (EUS)	Latitude (N/S...°)	Longitude (E/W...°)
Cimarex Scorer 6-31 Federal Com 43H - PBHL 1330' FNL 1242' FELI	11727.06	91.05	358.77	7208.00	4591.30	4570.46	-1018.90	0.00	423942.84	574786.58	N 32 9 55.62 W	104 13 31.08

Survey Type:

Non-Deel Plan

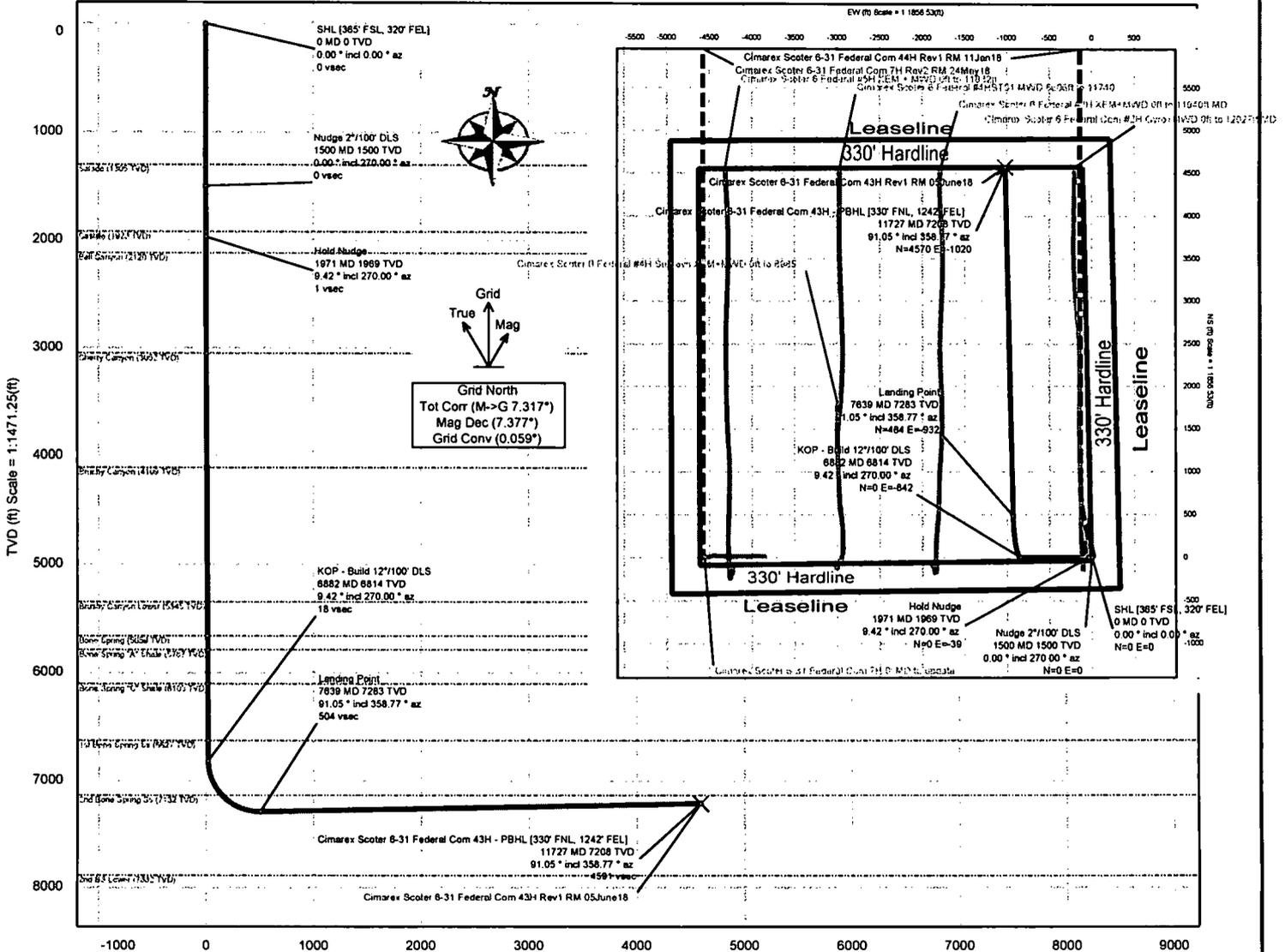
Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7855 Sigma

Survey Program:

Description	Part	MD From (ft)	MD To (ft)	ECU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Expected Max Inclination (degr)	Survey Tool Type	Borehole / Survey
	1	0.000	24.000	1/100.000	30.000	30.000		NAL_MMWD_IFR1+MS-Depth Only	Original Borehole / Cimarex Scorer 6-31 Federal Com 43H Rev1 RM 05June18
	1	24.000	11727.055	1/100.000	30.000	30.000		NAL_MMWD_IFR1+MS	Original Borehole / Cimarex Scorer 6-31 Federal Com 43H

Borehole: Original Borehole	Well: Cimarex Scoter 6-31 Federal Com 43H	Field: NM Eddy County (NAD 83)	Structure: Cimarex Scoter 6-31 Federal Com 43H
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Gravity & Magnetic Parameters		Surface Location NAD83 New Mexico State Plane, Eastern Zone, US Feet		Miscellaneous	
Model: HDM 2017	Dip: 89.858°	Date: 06-Jun-2018	Lat: N 32 9 10.39	Northing: 419372.9105	Grid Conv: 0.0682
MagDec: 7.377°	FS: 47819.884mT	Gravity FS: 986.432mgal (9.80665 Based)	Lon: W 104 13 18.27	Easting: 676788.39765	Scale Fact: 0.99991046
				Cimarex Scoter 6-31 Federal Com 43H	
				Slot: 6-31 Federal Com 43H	
				TVD Ref: RKB(3367.2ft above MSL)	
				Plan: Cimarex Scoter 6-31 Federal Com 43H Rev1 RM 05June18	



Vertical Section (ft) Azim = 358.77° Scale = 1:1471.25(ft) Origin = 0N/-S, 0E/-W

Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
SHL (365' FSL, 320' FEL)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Salado	1305.00	0.00	270.00	1305.00	0.00	0.00	0.00	0.00
Nudge 2"/100' DLS	1500.00	0.00	270.00	1500.00	0.00	0.00	0.00	0.00
Castile	1924.55	8.49	270.00	1923.00	0.67	0.00	-31.40	2.00
Hold Nudge	1971.01	9.42	270.00	1968.89	0.83	0.00	-38.63	2.00
Bell Canyon	2124.18	9.42	270.00	2120.00	1.37	0.00	-63.70	0.00
Cherry Canyon	3068.92	9.42	270.00	3052.00	4.69	0.00	-218.33	0.00
Brushy Canyon	4140.37	8.42	270.00	4109.00	8.45	0.00	-393.70	0.00
Brushy Canyon Lower	5393.27	9.42	270.00	5345.00	12.85	0.00	-598.78	0.00
Bone Spring	5711.58	9.42	270.00	5659.00	13.97	0.00	-650.88	0.00
Bone Spring "A" Shale	5841.31	9.42	270.00	5787.00	14.43	0.00	-672.09	0.00
Bone Spring "C" Shale	6161.63	9.42	270.00	6103.00	15.55	0.00	-724.52	0.00
1st Bone Spring Ss	6692.79	8.42	270.00	6627.00	17.42	0.00	-811.48	0.00
KOP - Build 12"/100' DLS	6882.29	9.42	270.00	6813.94	18.08	0.00	-842.47	0.00
2nd Bone Spring Ss	7236.92	43.61	348.57	7132.00	144.97	125.72	-886.32	12.00
Landing Point	7839.25	91.05	358.77	7283.00	504.19	484.29	-932.17	12.00
Cimarex Scoter 6-31 Federal Com 43H - PBHL (330' FNL, 1242' FEL)	11727.06	91.05	358.77	7208.00	4591.30	4570.46	-1019.90	0.00
3rd Bone Spring Ss	NaN	NaN	NaN	8450.00	NaN	NaN	NaN	NaN
2nd BS Lower	NaN	NaN	NaN	7882.00	NaN	NaN	NaN	NaN

Exhibit F – Co-Flex Hose
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
6-25S-27E
Eddy, NM

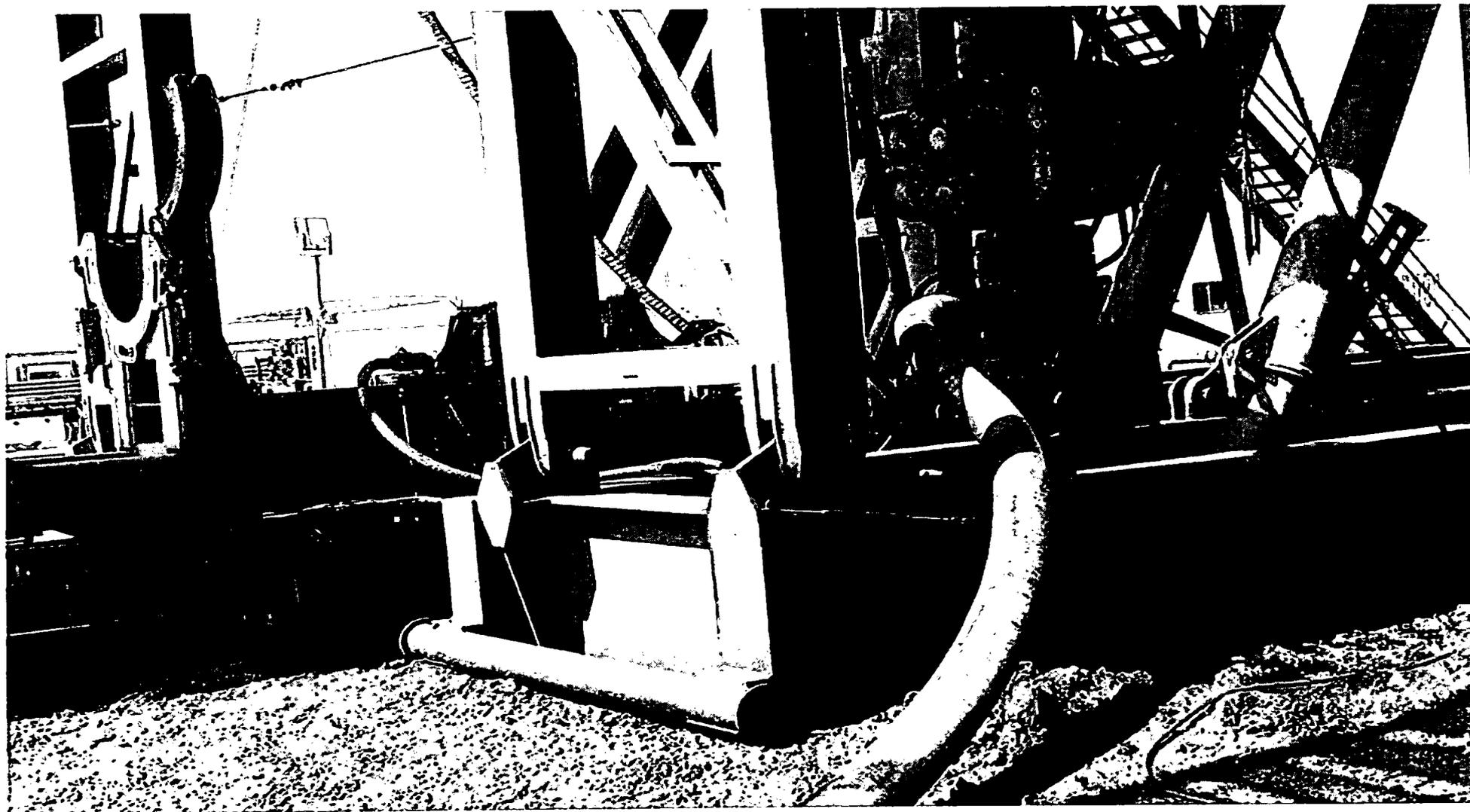


Exhibit F-1 – Co-Flex Hose Hydrostatic Test
 Scoter 6-31 Federal Com 43H
 Cimarex Energy Co.
 6-25S-27E
 Eddy, NM



Midwest Hose & Specialty, Inc.

INTERNAL HYDROSTATIC TEST REPORT		
Customer: Oderco Inc		P.O. Number: odyd-271
HOSE SPECIFICATIONS		
Type: Stainless Steel Armor Choke & Kill Hose	Hose Length: 45'ft.	
I.D. 4 INCHES	O.D. 9 INCHES	
WORKING PRESSURE 10,000 PSI	TEST PRESSURE 15,000 PSI	BURST PRESSURE 0 PSI
COUPLINGS		
Stem Part No. OKC OKC	Ferrule No. OKC OKC	
Type of Coupling: Swage-It		
PROCEDURE		
<i>Hose assembly pressure tested with water at ambient temperature.</i>		
TIME HELD AT TEST PRESSURE 15 MIN.	ACTUAL BURST PRESSURE: 0 PSI	
Hose Assembly Serial Number: 79793	Hose Serial Number: OKC	
Comments:		
Date: 3/8/2011	Tested: <i>[Signature]</i>	Approved: <i>[Signature]</i>

March 3, 2011

Internal Hydrostatic Test Graph

Customer: Houston

Pick Ticket #: 94260



Midwest Hose & Specialty, Inc.

Hose Specifications

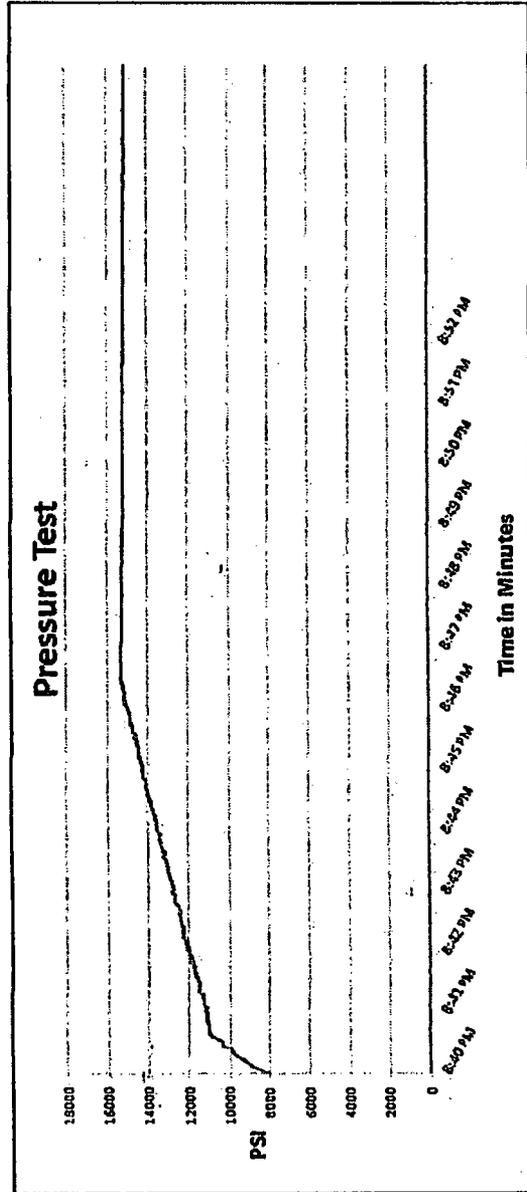
Hose Type: C&K
 I.D.: 4"
 Working Pressure: 1000 PSI

Length: 45'
 O.D.: 6.09"
 Burst Pressure: 10000 PSI
See manual Safety Multiplier Applies

Verification

Type of Fittings: 4 1/16 10K
 Die Size: 6.38"
 Hose Serial #: 544

Coupling Method: Swage
 Final O.D.: 6.75"
 Hose Assembly Serial #: 79793



Peak Pressure: 15483 PSI

Actual Burst Pressure

Time Held at Test Pressure: 11 Minutes

Test Pressure: 15000 PSI

Approved By: Kim Thomas

Tested By: Zac McConnell

Comments: Hose assembly pressure tested with water at ambient temperature.

Exhibit F-2 – Co-Flex Hose
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
6-25S-27E
Eddy, NM



Midwest Hose & Specialty, Inc.

Certificate of Conformity	
Customer: DEM	PO ODYD-271
SPECIFICATIONS	
Sales Order 79793	Dated: 3/8/2011
<p>We hereby certify that the material supplied for the referenced purchase order to be true according to the requirements of the purchase order and current industry standards</p> <p>Supplier: Midwest Hose & Specialty, Inc. 10640 Tanner Road Houston, Texas 77041</p>	
Comments:	
Approved: <i>James Garcia</i>	Date: 3/8/2011



Exhibit F -3- Co-Flex Hose
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
6-25S-27E
Eddy, NM

Specification Sheet Choke & Kill Hose

The Midwest Hose & Specialty Choke & Kill hose is manufactured with only premium components. The reinforcement cables, inner liner and cover are made of the highest quality material to handle the tough drilling applications of today's industry. The end connections are available with API flanges, API male threads, hubs, hammer unions or other special fittings upon request. Hose assembly is manufactured to API 7K. This assembly is wrapped with fire resistant vermiculite coated fiberglass insulation, rated at 2000 degrees with stainless steel armor cover.

Working Pressure:	5,000 or 10,000 psi working pressure
Test Pressure:	10,000 or 15,000 psi test pressure
Reinforcement:	Multiple steel cables
Cover:	Stainless Steel Armor
Inner Tube:	Petroleum resistant, Abrasion resistant
End Fitting:	API flanges, API male threads, threaded or butt weld hammer unions, unbolt and other special connections
Maximum Length:	110 Feet
ID:	2-1/2", 3", 3-1/2", 4"
Operating Temperature:	-22 deg F to +180 deg F (-30 deg C to +82 deg C)

1. Geological Formations

TVD of target 7,208
MD at TD 11,727

Pilot Hole TD N/A
Deepest expected fresh water

Formation	Depth (TVD) from KB	Water/Mineral Bearing/Target Zone	Hazards
Salado	1305	N/A	
Castille	1923	N/A	
Bell Canyon	2120	N/A	
Cherry Canyon	3052	N/A	
Brushy Canyon	4109	Hydrocarbons	
Brushy Canyon Lower	5345	Hydrocarbons	
Bone Spring	5659	Hydrocarbons	
Bone Spring "A" Shale	5787	Hydrocarbons	
Bone Spring "C" Shale	6103	Hydrocarbons	
1st Bone Spring Ss	6627	Hydrocarbons	
2nd Bone Spring Ss	7132	Hydrocarbons	
2nd BS Ss Lower	7882	Hydrocarbons	
3rd Bone Spring Ss	8450	Hydrocarbons	

2. Casing Program

Hole Size	Casing Depth From	Casing Depth To	Casing Size	Weight (lb/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17 1/2	0	400	13-3/8"	48.00	H-40/J-55 Hybrid	ST&C	4.04	9.45	16.77
12 1/4	0	2100	9-5/8"	36.00	J-55	LT&C	1.81	3.16	5.99
8 3/4	0	6882	5-1/2"	17.00	L-80	LT&C	1.95	2.40	2.76
8 3/4	6882	11727	5-1/2"	17.00	L-80	BT&C	1.86	2.29	71.63
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

Cimarex Energy Co., Scoter 6-31 Federal Com 43H

	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.	N
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
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?	N
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

3. Cementing Program

Casing	# Sks	Wt. lb/gal	Yld ft ³ /sack	H ₂ O gal/sk	500# Comp. Strength (hours)	Slurry Description
Surface	61	13.50	1.72	9.15	15.5	Lead: Class C + Bentonite
	195	14.80	1.34	6.32	9.5	Tail: Class C + LCM
Intermediate	400	12.90	1.88	9.65	12	Lead: 35:65 (Poz:C) + Salt + Bentonite
	123	14.80	1.34	6.32	9.5	Tail: Class C + LCM
Production	430	10.30	3.64	22.18		Lead: Tuned Light + LCM
	1037	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	31
Intermediate	0	49
Production	1900	18

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
12 1/4	13 5/8	2M	Annular	X	50% of working pressure
			Blind Ram		2M
			Pipe Ram		
			Double Ram	X	
			Other		
8 3/4	13 5/8	3M	Annular	X	50% of working pressure
			Blind Ram		3M
			Pipe Ram		
			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.

	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 400'	FW Spud Mud	8.30 - 8.80	30-32	N/C
400' to 2100'	Brine Water	9.70 - 10.20	30-32	N/C
2100' to 11727'	FW/Cut Brine	8.50 - 9.00	30-32	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.

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	
X	Will run GR/CNL from TD 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	3373 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 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 3000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 3000 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.

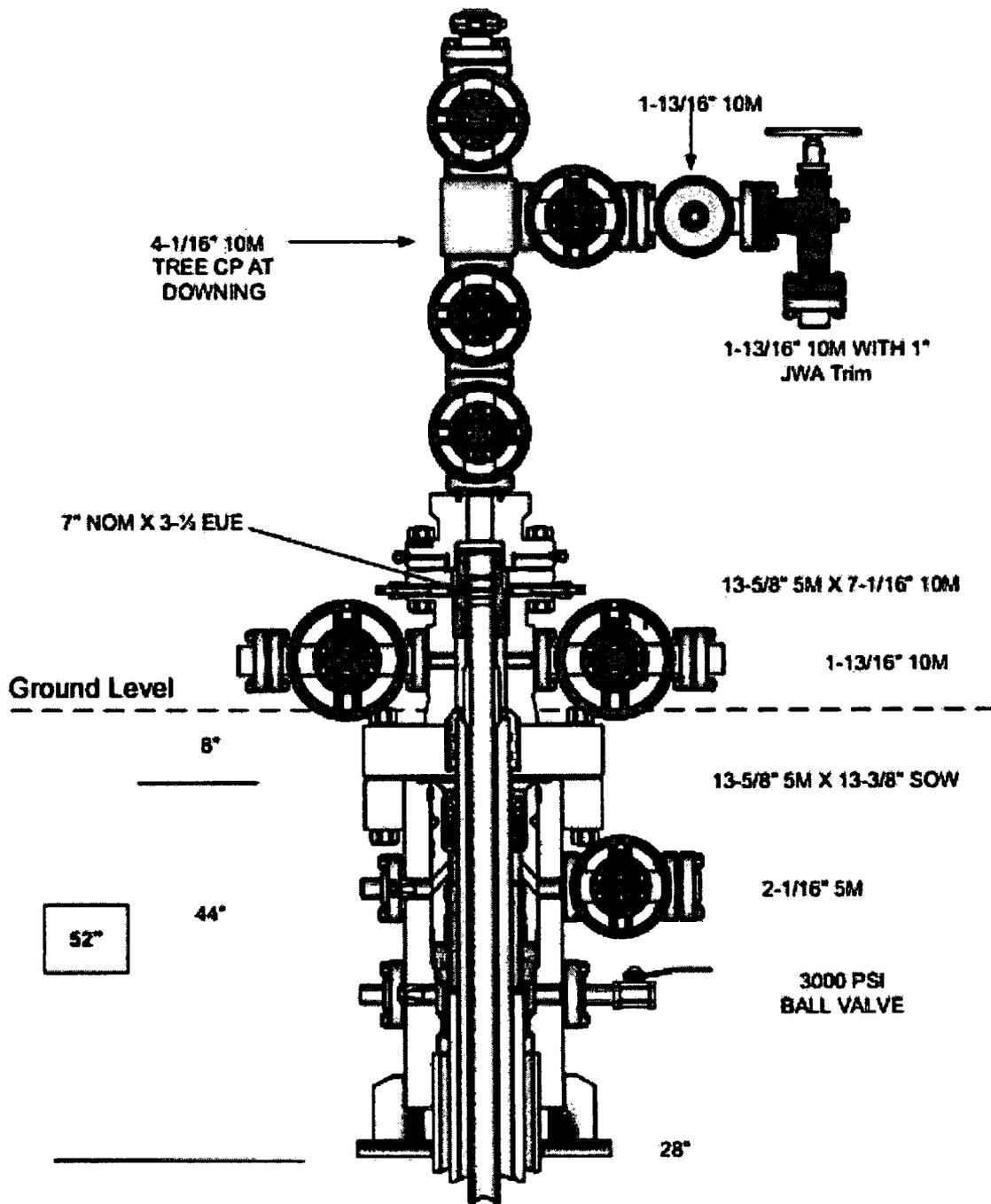
A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 3000 psi.

The surface casing string will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

The casing string utilizing steel body pack-off will be tested to 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.

Multi-bowl Wellhead Diagram



Multi-bowl Wellhead Diagram
Scoter 6-31 Federal Com 43H
Cimarex Energy Co.
6-25S-27E
Eddy Co., NM

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: 6/8/18

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, recomple 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
Scoter 6-31 Federal Com 43H	Pending	6-25S-27E	365' FSL & 320' FEL	3500		

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 Gas Transporter and will be connected to Gas Transporter low/high pressure gathering system located in Culberson County, Texas. It will require 100 ' of pipeline to connect the facility to low/high pressure gathering system. Operator provides (periodically) to Gas Transporter a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Operator and Gas Transporter have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Gas Transporter Processing Plant located in Sec 23 of 60-T2 Culberson, County, Texas. 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 Gas Transporter system at that time. Based on current information, it is Operator's 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

APD ID: 10400026136**Submission Date:** 01/11/2018Highlighted data
reflects the most
recent changes**Operator Name:** CIMAREX ENERGY COMPANY**Well Name:** SCOTER 6-31 FEDERAL COM**Well Number:** 43H[Show Final Text](#)**Well Type:** OIL WELL**Well Work Type:** Drill**Section 1 - Existing Roads****Will existing roads be used?** NO**Section 2 - New or Reconstructed Access Roads****Will new roads be needed?** YES**New Road Map:**

Scoter_6_31_Fed_Com_E2E2_Road_ROW_20180109113744.pdf

New road type: COLLECTOR**Length:** 234 Feet **Width (ft.):** 30**Max slope (%):** 2 **Max grade (%):** 6**Army Corp of Engineers (ACOE) permit required?** NO**ACOE Permit Number(s):****New road travel width:** 18

New road access erosion control: The side slopes of any drainage channels or swales that are crossed will be re-contoured to original grade and compacted and mulched as necessary to avoid erosion. Where steeper slopes cannot be avoided, water bars or silt fence will be constructed, mulch/rip-rap applied, or other measures employed as necessary to control erosion. Hay bales, straw waddles or silt fence may also be installed to control erosion as needed. All disturbed areas will be seeded with a mix appropriate for the area unless specified otherwise by the landowner.

New road access plan or profile prepared? NO**New road access plan attachment:****Access road engineering design?** NO**Access road engineering design attachment:****Access surfacing type:** GRAVEL**Access topsoil source:** ONSITE

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Access surfacing type description:

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Push off and stockpile alongside the location.

Access other construction information: The operator will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations or other events.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: CULVERT,LOW WATER,OTHER

Drainage Control comments: To control and prevent potentially contaminated precipitation from leaving the pad site, a perimeter berm and settlement pond will be installed. Contaminated water will be removed from pond, stored in waste tanks, and disposed of at a state approved facility. Standing water or puddles will not be allowed. Drainage ditches would be established and maintained on the pad and along access roads to divert water away from operations. Natural drainage areas disturbed during construction would be re-contoured to near original condition prior to construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction that are no longer needed for operations would be obliterated, re-contoured to near original condition prior to construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction that are no longer needed for operations would be obliterated, re-contoured, and reclaimed to near original condition to re-establish natural drainage.

Road Drainage Control Structures (DCS) description: N/A

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Scoter_6_31_Fed_Com_E2E2_One_Mile_Radius_Existing_Wells_20180109113807.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: previously approved existing facility

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: INTERMEDIATE/PRODUCTION CASING,
SURFACE CASING

Water source type: MUNICIPAL

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: WATER RIGHT

Permit Number:

Source land ownership: FEDERAL

Water source transport method: PIPELINE,TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 5000

Source volume (acre-feet): 0.6444655

Source volume (gal): 210000

Water source and transportation map:

Scoter_6_31_Fed_Com_E2E2_Drilling_Water_Routes_20180109114021.pdf

Water source comments:

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: The drilling and testing operations will be conducted on a watered and compacted native soil grade. Soft spots will be covered with scoria, free of large rocks (3" diameter). Upon completion as a commercial producer the location will be covered with scoria, free of large rocks (3" dia.) from an existing privately owned gravel pit.

Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling Fluids, drill cuttings, water and other waste produced from the well during drilling operations.

Amount of waste: 15000 barrels

Waste disposal frequency : Weekly

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Haul to R360 commercial Disposal

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations

Amount of waste: 32500 pounds

Waste disposal frequency : Weekly

Safe containment description: N/A

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Windmill Spraying Service hauls trash to Lea County Landfill

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.)

Reserve pit width (ft.)

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Scoter_6_31_Fed_Com_43H_Wellsite_Layout_20180109114050.pdf

Comments:

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: SCOTER 6-31 FEDERAL COM

Multiple Well Pad Number: E2E2 PAD

Recontouring attachment:

Scoter_6_31_Fed_Com_E2E2_Interim_Reclaim_20180111124758.pdf

Drainage/Erosion control construction: To control and prevent potentially contaminated precipitation from leaving the pad site, a perimeter berm and settlement pond will be installed. Contaminated water will be removed from pond, stored in waste tanks, and disposed of at a state approved facility. Standing water or puddles will not be allowed. Drainage ditches would be established and maintained on the pad and along access roads to divert water away from operations. Natural drainage areas disturbed during construction would be re-contoured to near original condition prior to construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction that are no longer needed for operations would be obliterated, re-contoured to near original condition prior to construction. Erosion Control Best Management Practices would be used where necessary and consist of seeding, fiber rolls, water bars, silt fences, and temporary diversion dikes. Areas disturbed during construction that are no longer needed for operations would be obliterated, re-contoured, and reclaimed to near original condition to re-establish natural drainage.

Drainage/Erosion control reclamation: All disturbed and re-contoured areas would be reseeded according to specifications. Approved seed mixtures would be certified weed free and consist of grasses, forbs, or shrubs similar to the surrounding area. Compacted soil areas may need to be obliterated and reclaimed to near natural conditions by re-contouring all slopes to facilitate and re-establish natural drainage

Well pad proposed disturbance (acres): 7.154	Well pad interim reclamation (acres): 3.798	Well pad long term disturbance (acres): 3.356
Road proposed disturbance (acres): 0.161	Road interim reclamation (acres): 0	Road long term disturbance (acres): 0.161
Powerline proposed disturbance (acres): 0.526	Powerline interim reclamation (acres): 0	Powerline long term disturbance (acres): 0.526
Pipeline proposed disturbance (acres): 0.049	Pipeline interim reclamation (acres): 0	Pipeline long term disturbance (acres): 0.049
Other proposed disturbance (acres): 0	Other interim reclamation (acres): 0	Other long term disturbance (acres): 0
Total proposed disturbance: 7.89	Total interim reclamation: 3.798	Total long term disturbance: 4.092

Disturbance Comments: Road: 234', Power: 764', Gas lift: 70', Flowline: 70'

Reconstruction method: After well plugging, all disturbed areas would be returned to the original contour or a contour that blends with the surrounding landform including roads unless the surface owner requests that they be left intact. In consultation with the surface owners it will be determined if any gravel or similar materials used to reinforce an area are to be removed, buried, or left in place during final reclamation. Salvaged topsoil, if any, would be re-spread evenly over the surfaces to be re-vegetated. As necessary, the soil surface would be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching, or fertilizing. Reclamation, Re-vegetation, and Drainage: All disturbed and re-contoured areas would be reseeded using techniques outlined under Phase I and II of this plan or as specified by the land owner. Approved seed mixtures would be certified weed free and consist of grasses, forbs, or shrubs similar to the surrounding area. Compacted soil areas may need to be obliterated and reclaimed to near natural conditions by re-contouring all slopes to facilitate and re-establish natural drainage. **Topsoil redistribution:** Salvaged topsoil, if any, would be re-spread evenly over the surfaces to be re-vegetated

Soil treatment: As necessary, the soil surface would be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching or fertilizing.

Existing Vegetation at the well pad:

Existing Vegetation at the well pad attachment:

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Existing Vegetation Community at the road:

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline:

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances:

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed source:

Seed name:

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Proposed seeding season:

Seed Summary

Total pounds/Acre:

Seed Type

Pounds/Acre

Seed reclamation attachment:

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Operator Contact/Responsible Official Contact Info

First Name:

Last Name:

Phone:

Email:

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: N/A

Weed treatment plan attachment:

Monitoring plan description: N/A

Monitoring plan attachment:

Success standards: N/A

Pit closure description: n/A

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: CIMAREX ENERGY COMPANY

Well Name: SCOTER 6-31 FEDERAL COM

Well Number: 43H

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS,285003 ROW – POWER TRANS,288100 ROW – O&G Pipeline,288101 ROW – O&G Facility Sites,288103 ROW – Salt Water Disposal Pipeline/Facility,288104 ROW – Salt Water Disposal ApIn/Fac-FLPMA,288401 ROW – NPR-A,289001 ROW- O&G Well Pad,FLPMA (Powerline)

ROW Applications

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: Onsite with BLM (Jeff Roberston) and Cimarex (Barry Hunt) on March 28,2017.

Other SUPO Attachment

Scoter_6_31_Fed_Com_E2E2_Public_Access_20180111124840.pdf

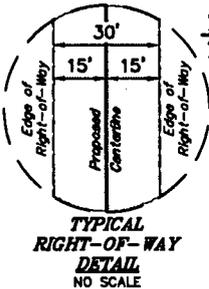
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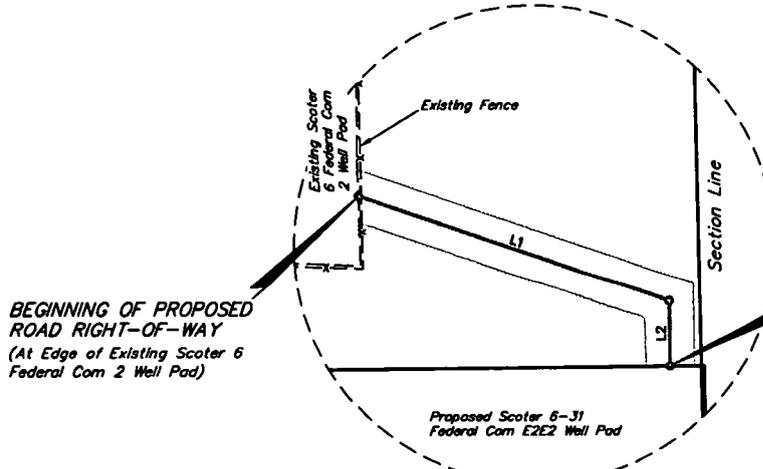
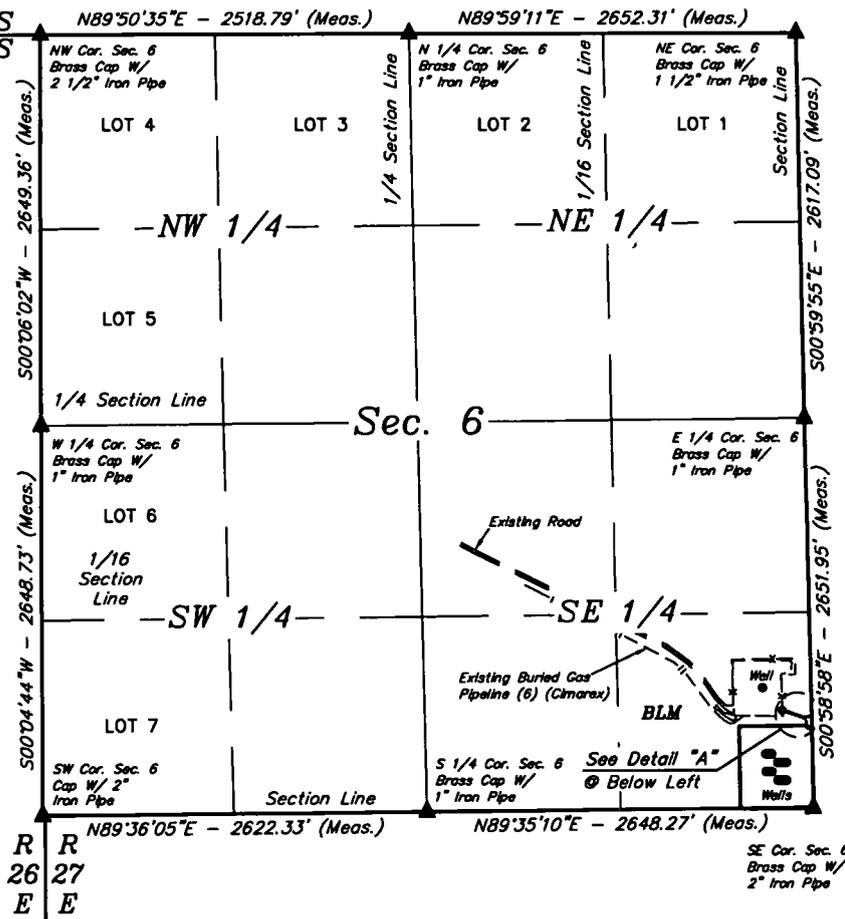
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Scoter_6_31_Fed_Com_43H_Flow_Gas_lift_Route_20180605064943.pdf

Scoter_6_31_Fed_Com_43H_SUPO_20180606103216.pdf

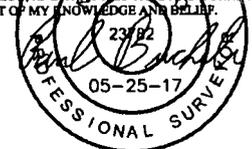


LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S71°08'07"E	194.88'
L2	S00°30'37"E	38.60'



ACREAGE / LENGTH TABLE				
	OWNERSHIP	FEET	RODS	ACRES
SEC. 6 (SE 1/4)	BLM	234.48	14.21	0.161

CERTIFICATE
 THIS IS TO CERTIFY THAT THIS EASEMENT PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



NOTES:
 * The maximum grade of existing ground for the proposed access road is +2.9%.
 • Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

FILE: 61683-A1

Sheet 1 of 2

CIMAREX ENERGY CO.

**SCOTER 6-31 FEDERAL COM E2E2
 SECTION 6, T25S, R27E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO**

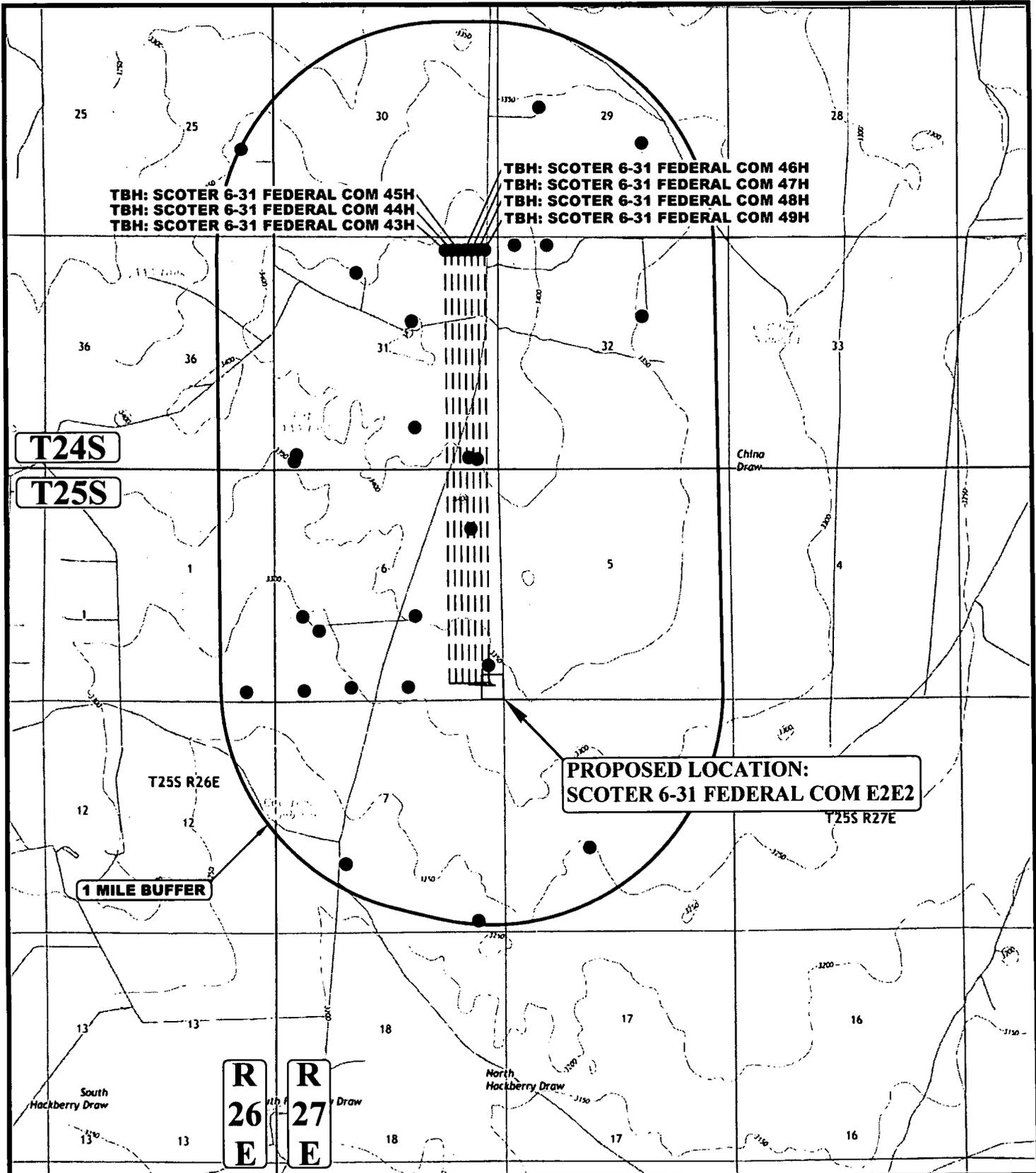
SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	S.F.	05-20-17	1" = 1000'

ACCESS ROAD R-O-W EXHIBIT D



UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017





LEGEND:

● EXISTING WELLS



UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017



CIMAREX ENERGY CO

SCOTER 6-31 FEDERAL COM E2E2
 SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	V.L.D.	05-17-17	1" = 36,000'
ONE MILE RADIUS PLAT			EXHIBIT E

Drilling Water Route #1
Scoter 6-31-Fed Com E2E2 RAD
Cimarex Energy Co
Sec 6-25S-27E
Eddy County, NM

Legend

-  Black River FW Station - 08/24S/27E
-  Scoter 6-31 43H

Black River FW Station - 08/24S/27E

Hood FW Station - 12/24S/28E

Turn left onto Black River Village

Pulley Road Fresh Water Station 26/24S

Turn right

Turn right

Slight left to stay on Roadrunner Rd

Scoter 6-31-Fed Com E2E2 Pad

Turn right

Sharp left

Turn left onto Road Runner Rd

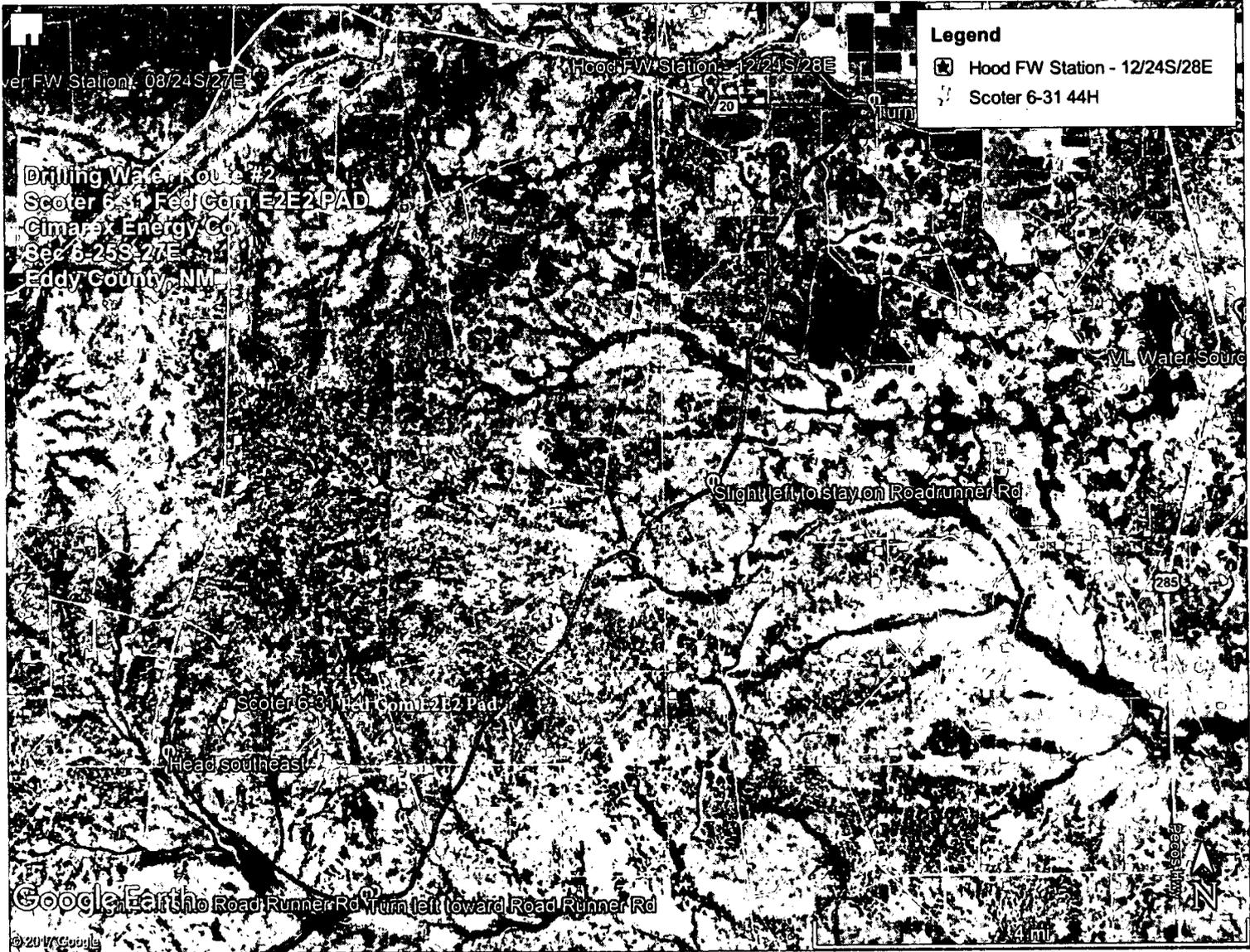
Head north on Old Cavern Hwy

Google Earth

© 2017 Google



1.74 mi



Legend

-  Hood FW Station - 12/24S/28E
-  Scoter 6-31 44H

ver FW Station: 08/24S/27E

Hood FW Station: 12/24S/28E

Drilling Water Route #2
 Scoter 6-31 Fed Com E2E2 PAD
 Cimarex Energy Co.
 Sec 6-25S-27E
 Eddy County, NM

WL Water Source

Slight left to stay on Roadrunner Rd

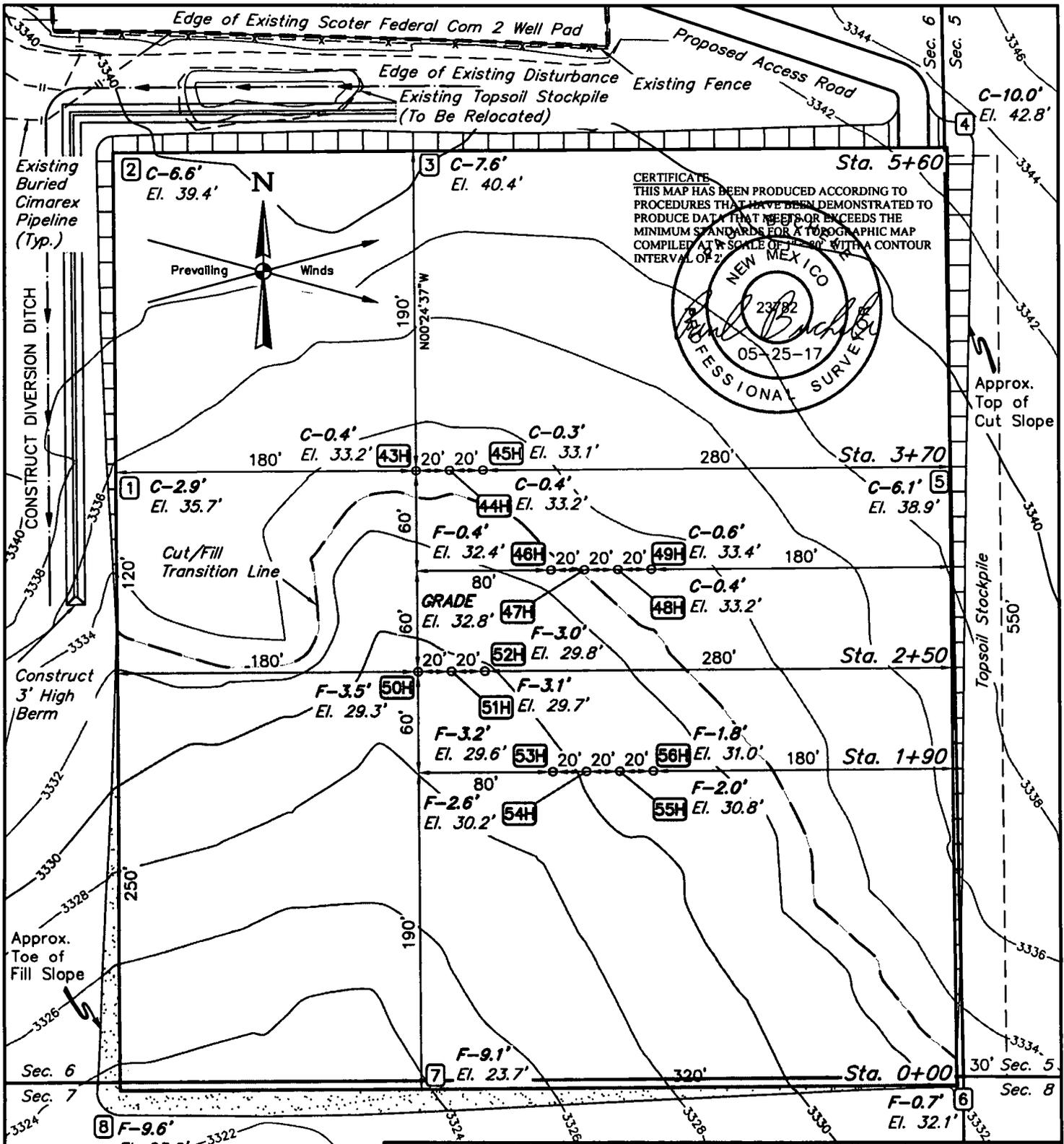
Scoter 6-31 Fed Com E2E2 Pad

Head southeast

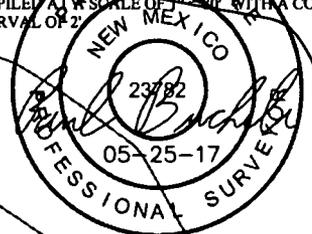
Google Earth Road Runner Rd Turn left toward Road Runner Rd

© 2017 Google

0.4 mi



CERTIFICATE
 THIS MAP HAS BEEN PRODUCED ACCORDING TO PROCEDURES THAT HAVE BEEN DEMONSTRATED TO PRODUCE DATA THAT MEETS OR EXCEEDS THE MINIMUM STANDARDS FOR A TOPOGRAPHIC MAP COMPILED AT A SCALE OF 1" = 80' WITH A CONTOUR INTERVAL OF 2'



NOTE: Earthwork calculations require fill @ some location stakes for balance. All fill is to be compacted to a minimum of 95% of the maximum dry density obtained by AASHTO method t-99.

FINISHED GRADE ELEVATION = 3332.8'

NOTES:

- Contours shown at 2' intervals.
- Cut/Fill slopes 1 1/2:1 (Typ. except where noted)
- Underground utilities shown on this sheet are for visualization purposes only, actual locations to be determined prior to construction.
- Reroute existing utilities as needed.

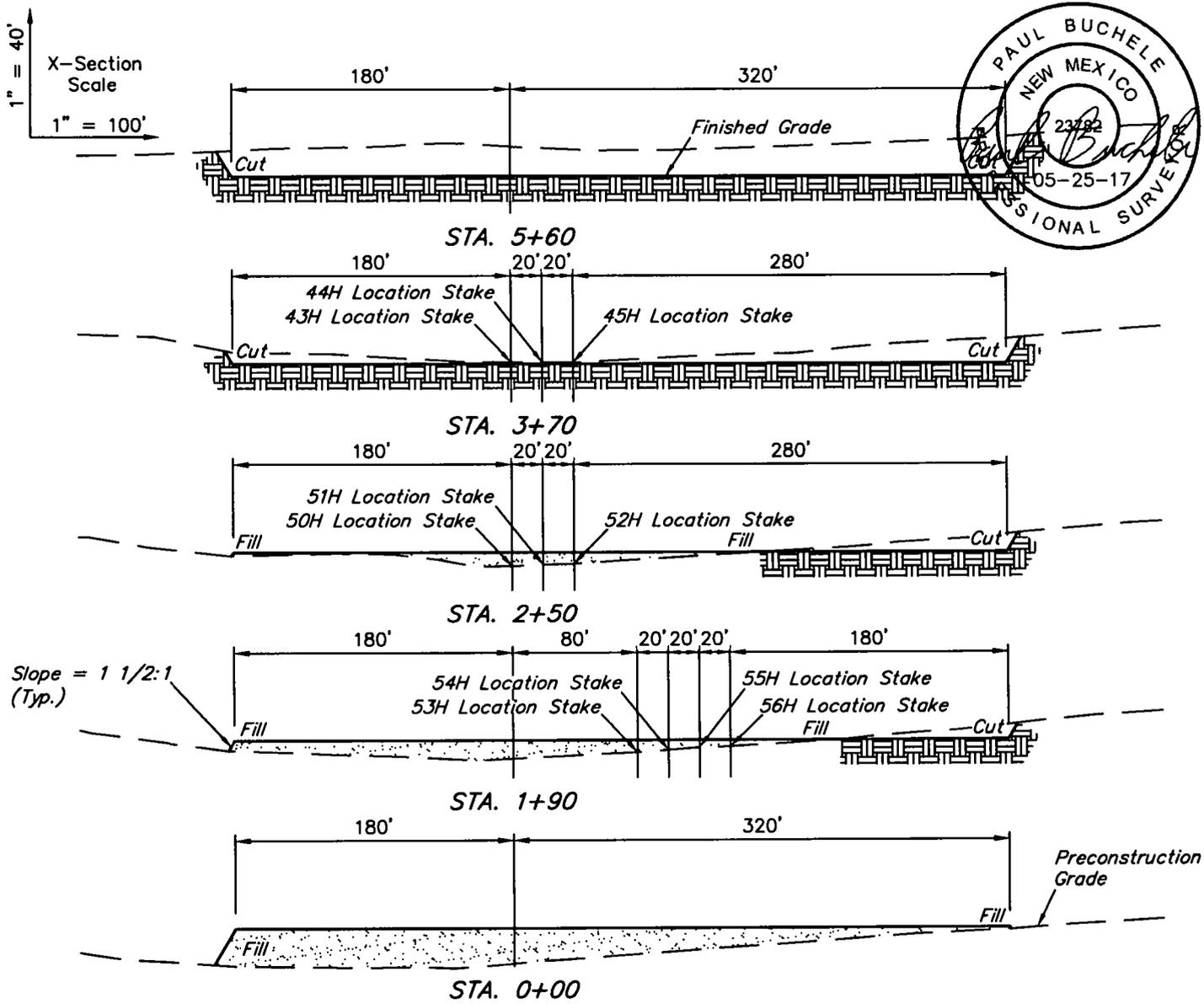
CIMAREX ENERGY CO.

SCOTER 6-31 FEDERAL COM E2E2
 SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO



UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017

SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	S.F.	05-20-17	1" = 80'
LOCATION LAYOUT		EXHIBIT J	



APPROXIMATE EARTHWORK QUANTITIES	
(4") TOPSOIL STRIPPING	3,700 Cu. Yds.
REMAINING LOCATION	21,840 Cu. Yds.
TOTAL CUT	25,540 Cu. Yds.
FILL	21,840 Cu. Yds.
EXCESS MATERIAL	3,700 Cu. Yds.
TOPSOIL	3,700 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	0 Cu. Yds.

APPROXIMATE SURFACE DISTURBANCE AREAS		
	DISTANCE	ACRES
WELL SITE DISTURBANCE	NA	±7.154
30' WIDE ACCESS ROAD R-O-W DISTURBANCE	±234.48'	±0.161
30' WIDE ROW 1 FLOW LINE R-O-W DISTURBANCE	±1,966.68'	±1.354
30' WIDE ROW 2 FLOW LINE R-O-W DISTURBANCE	±1,944.78'	±1.339
30' WIDE ROW 3 FLOW LINE R-O-W DISTURBANCE	±1,922.67'	±1.324
30' WIDE ROW 4 FLOW LINE R-O-W DISTURBANCE	±2,150.42'	±1.481
30' WIDE POWER LINE R-O-W DISTURBANCE	±764.41'	±0.526
TOTAL SURFACE USE AREA		±13.339

NOTES:

- Fill quantity includes 5% for compaction.
- Cut/Fill slopes 1 1/2:1 (Typ. except where noted)



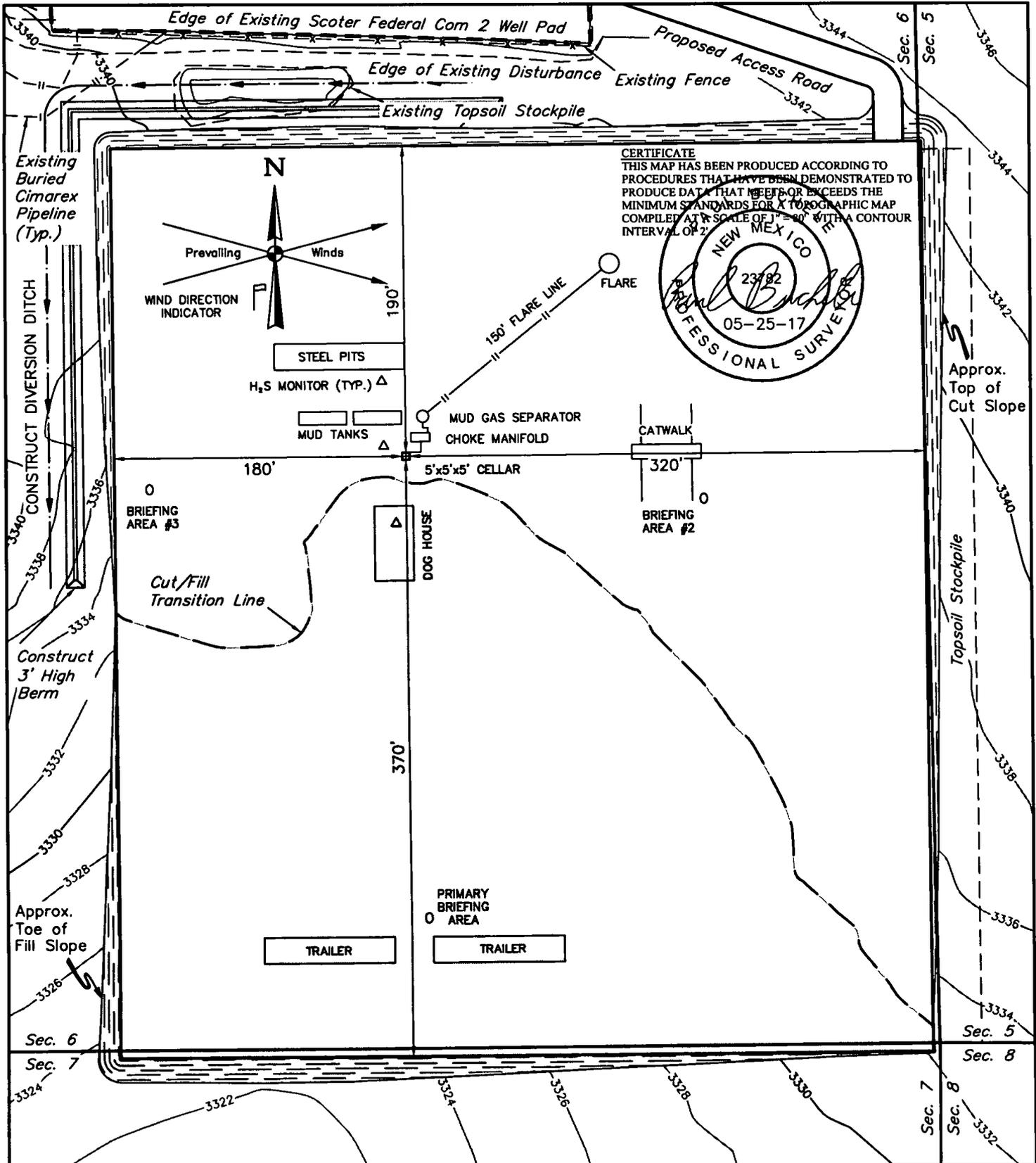
UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017

CIMAREX ENERGY CO.

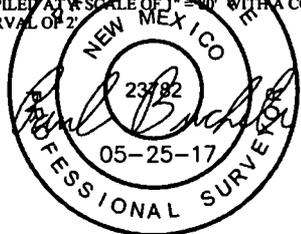
SCOTER 6-31 FEDERAL COM E2E2
SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	S.F.	05-20-17	AS SHOWN

TYPICAL CROSS SECTIONS EXHIBIT J



CERTIFICATE
 THIS MAP HAS BEEN PRODUCED ACCORDING TO PROCEDURES THAT HAVE BEEN DEMONSTRATED TO PRODUCE DATA THAT MEETS OR EXCEEDS THE MINIMUM STANDARDS FOR A TOPOGRAPHIC MAP COMPILED AT A SCALE OF 1" = 40' WITH A CONTOUR INTERVAL OF 2'



NOTES:
 • Contours shown at 2' intervals.

CIMAREX ENERGY CO.

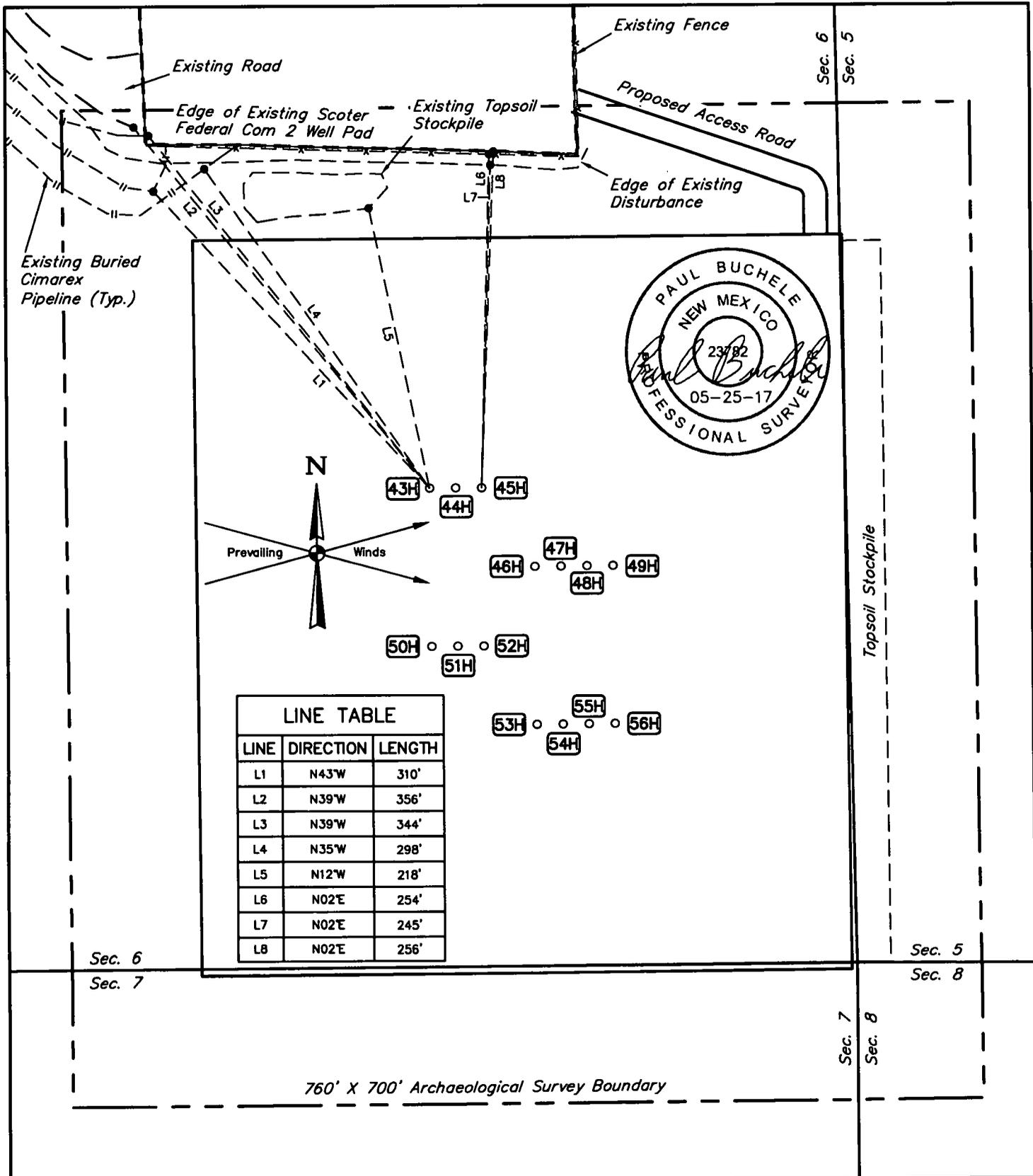
SCOTER 6-31 FEDERAL COM 43H
365' FSL 320' FEL
SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	S.F.	05-20-17	1" = 80'

TYPICAL RIG LAYOUT EXHIBIT K



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 Vernal, UT 84078 * (435) 789-1017



NOTES:

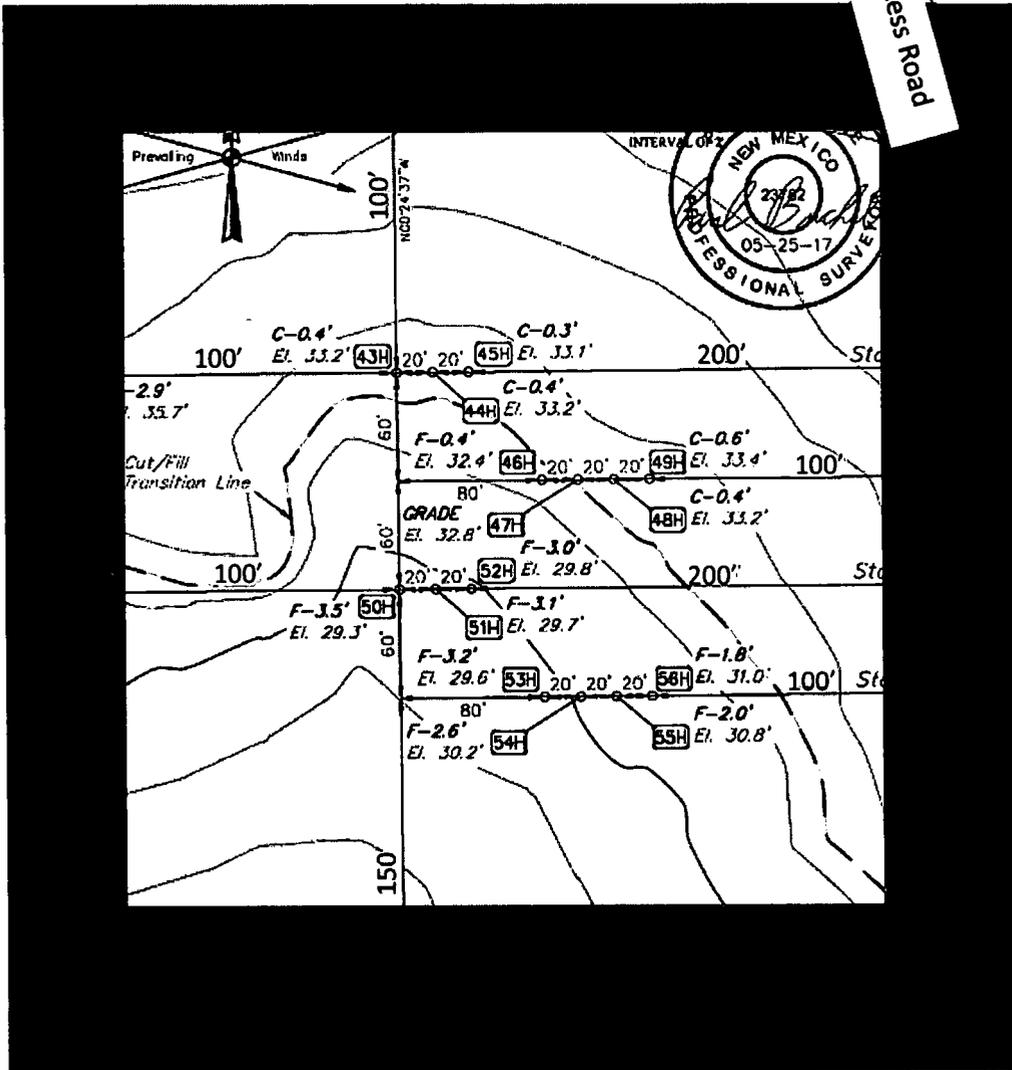
CIMAREX ENERGY CO.

**SCOTER 6-31 FEDERAL COM E2E2
SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO**

SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	S.F.	05-20-17	1" = 100'
ARCHAEOLOGICAL SURVEY BOUNDARY			EXHIBIT L



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Pad will be reclaimed after cessation of drilling operations.
 Please see Surface Use Plan for pad reclamation plans.

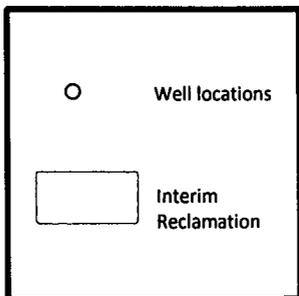
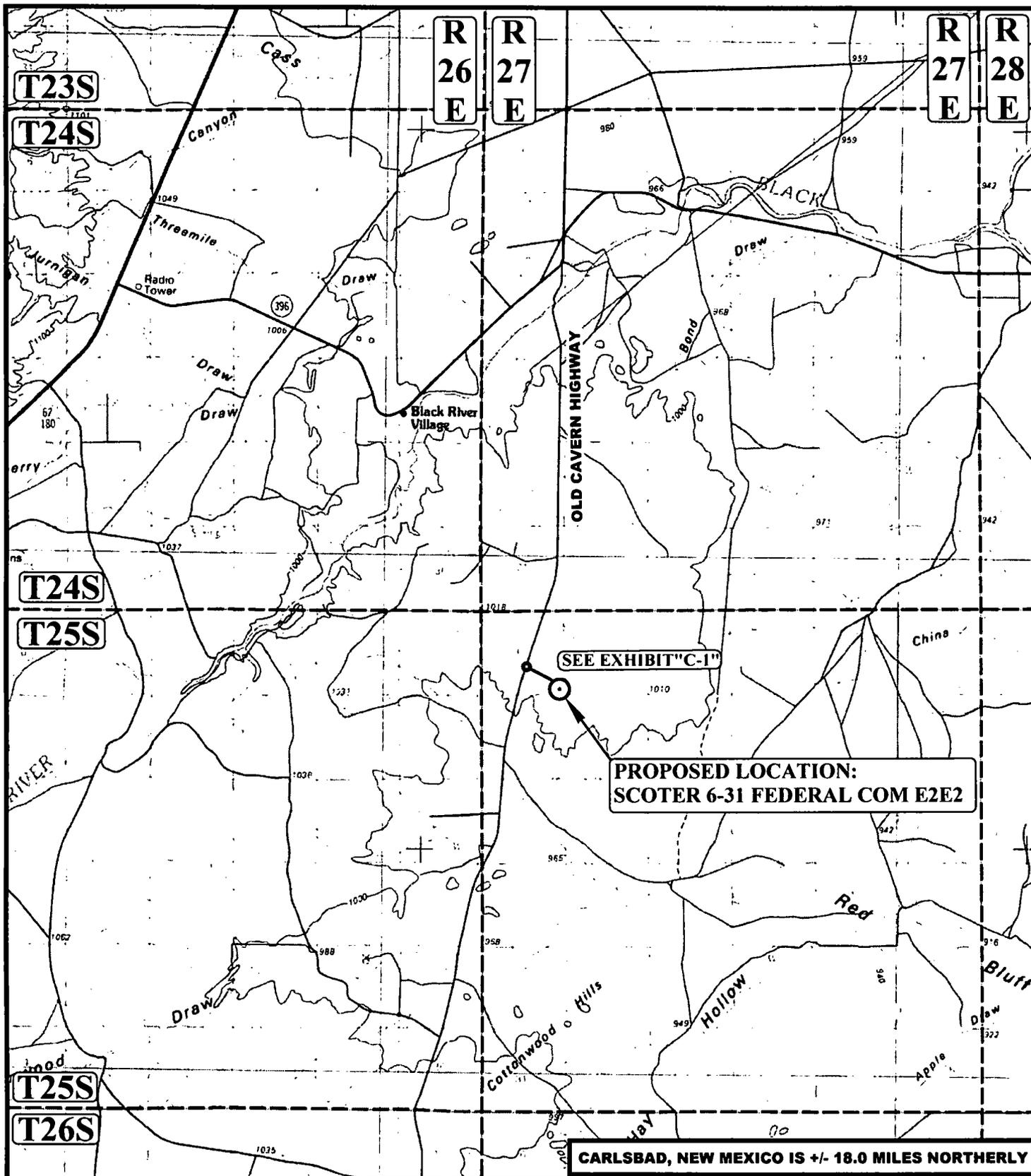


Exhibit P
 Interim Reclamation Diagram
 Scoter 6-31 Fed Com E2E2 pad
 Cimarex Energy Co.
 Sec 6-25S-27E
 Eddy Cty, NM



SEE EXHIBIT "C-1"

**PROPOSED LOCATION:
SCOTER 6-31 FEDERAL COM E2E2**

CARLSBAD, NEW MEXICO IS +/- 18.0 MILES NORTHERLY

LEGEND:

○ PROPOSED LOCATION



CIMAREX ENERGY CO

**SCOTER 6-31 FEDERAL COM E2E2
SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO**

SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	V.L.D.	05-17-17	1:100,000

PUBLIC ACCESS ROAD MAP EXHIBIT B



UELS, LLC
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Vernal, UT 84078 * (435) 789-1017

BEGINNING AT THE INTERSECTION OF OLD CAVERN HIGHWAY AND AN EXISTING ROAD TO THE SOUTHEAST (LOCATED AT NAD83 LATITUDE N32.156844° AND LONGITUDE W104.228819°) PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 234' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM THE INTERSECTION OF OLD CAVERN HIGHWAY AND AN EXISTING ROAD TO THE SOUTHEAST (LOCATED AT NAD83 LATITUDE N32.156844° AND LONGITUDE W104.228819°) TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 0.5 MILES.

CIMAREX ENERGY CO

**SCOTER 6-31 FEDERAL COM E2E2
SE 1/4 SE 1/4, SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO**

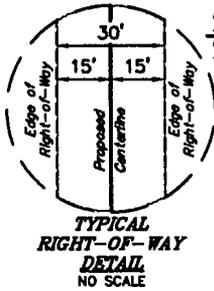
SURVEYED BY	M.P., B.D.	05-10-17	
DRAWN BY	V.L.D.	05-17-17	

ROAD DESCRIPTION

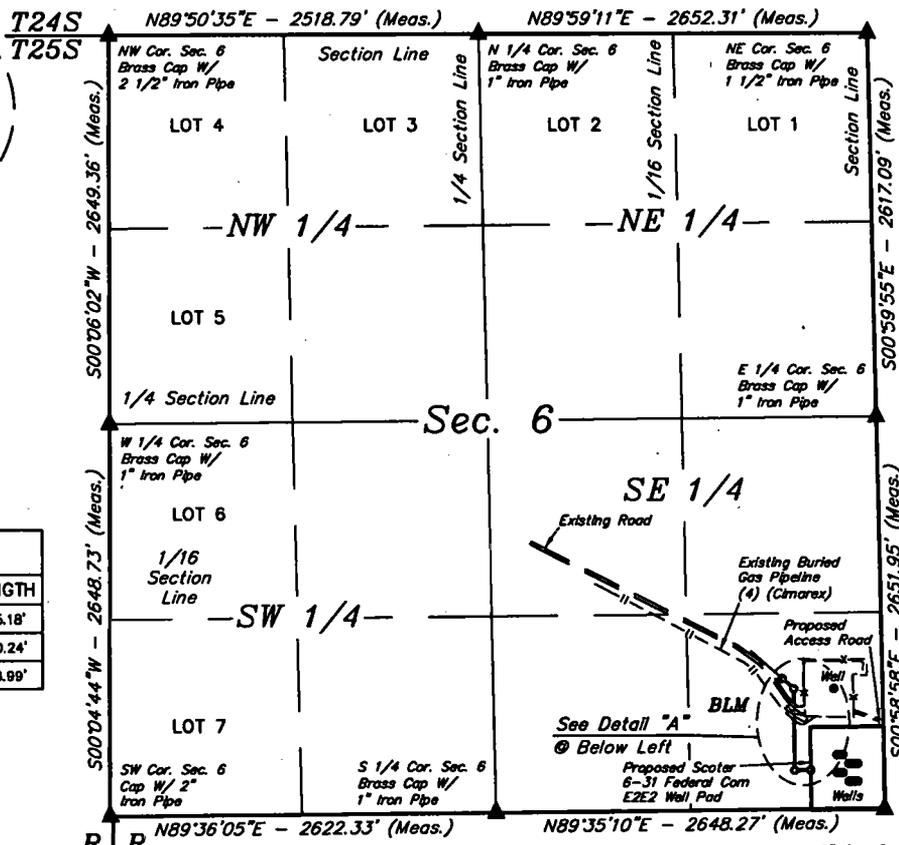
EXHIBIT A



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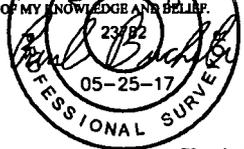
LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S48°28'45"E	105.18'
L2	S00°24'11"E	550.24'
L3	N89°31'36"E	108.99'



BEGINNING OF
PROPOSED POWER
LINE RIGHT-OF-WAY
(At Existing Power Line)

END OF PROPOSED POWER
LINE RIGHT-OF-WAY
(At Edge of Proposed Scoter
6-31 Federal Com E2E2 Well Pad)

CERTIFICATE
THIS IS TO CERTIFY THAT THIS EASEMENT PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



ACREAGE / LENGTH TABLE				
	OWNERSHIP	FEET	RODS	ACRES
SEC. 6 (SE 1/4)	BLM	764.41	46.33	0.526

▲ = SECTION CORNERS LOCATED.

FILE: 61688-A1

Sheet 1 of 2

NOTES:
* Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

CIMAREX ENERGY CO.
SCOTER 6-31 FEDERAL COM E2E2
SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

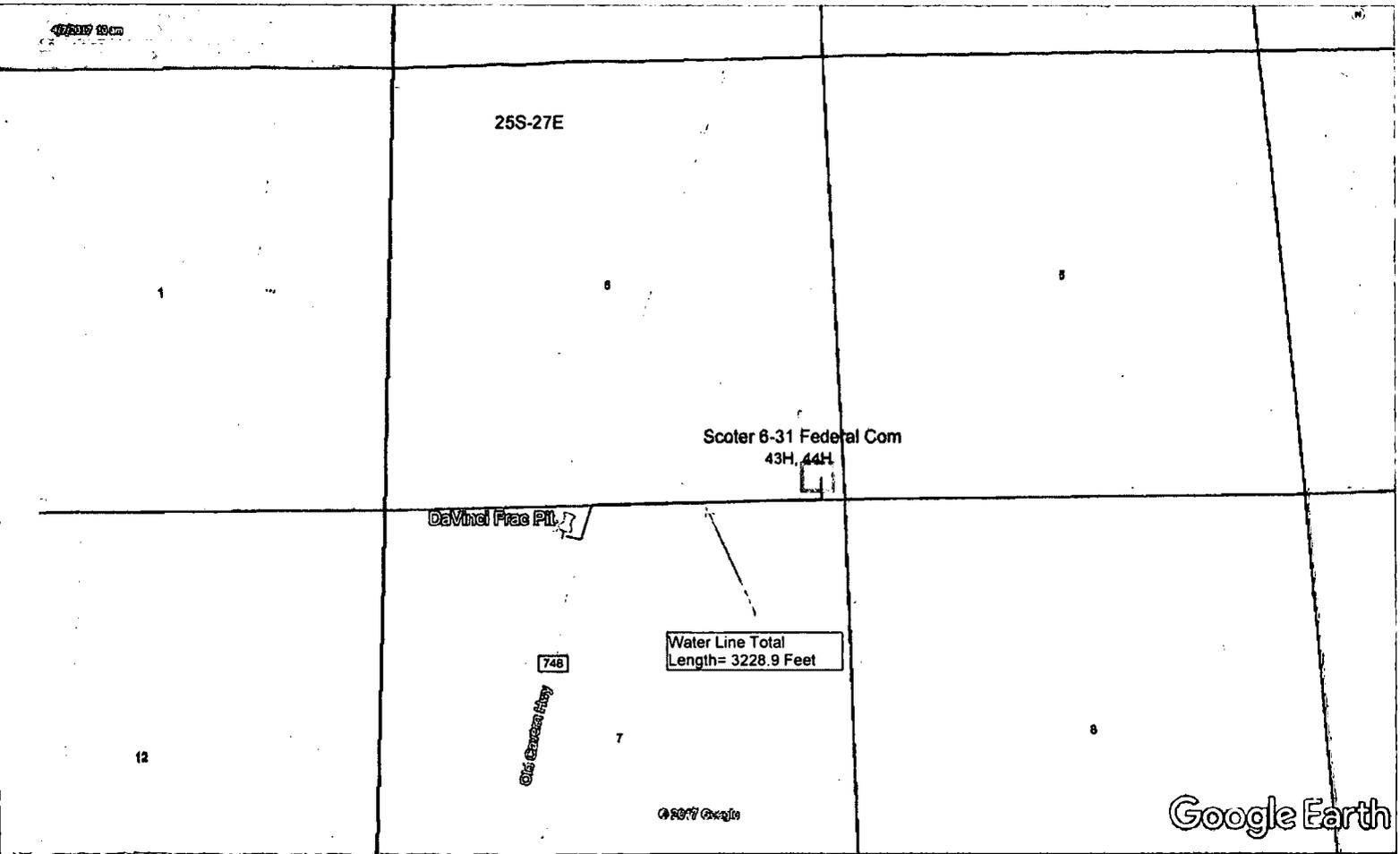
SURVEYED BY	M.P., B.D.	05-10-17	SCALE
DRAWN BY	S.F.	05-20-17	1" = 1000'

POWER LINE R-O-W EXHIBIT I

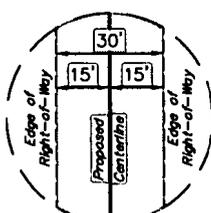


UELS, LLC
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Vernal, UT 84078 * (435) 789-1017

Scoter 6-31 Federal Com 43H and 44H water route - from Cimarex DaVinci Frac Pit(Sec. 7-25S-27E) to Scoter 6-31 Federal Com well pad(Sec. 6-25S-27E), Eddy County NM

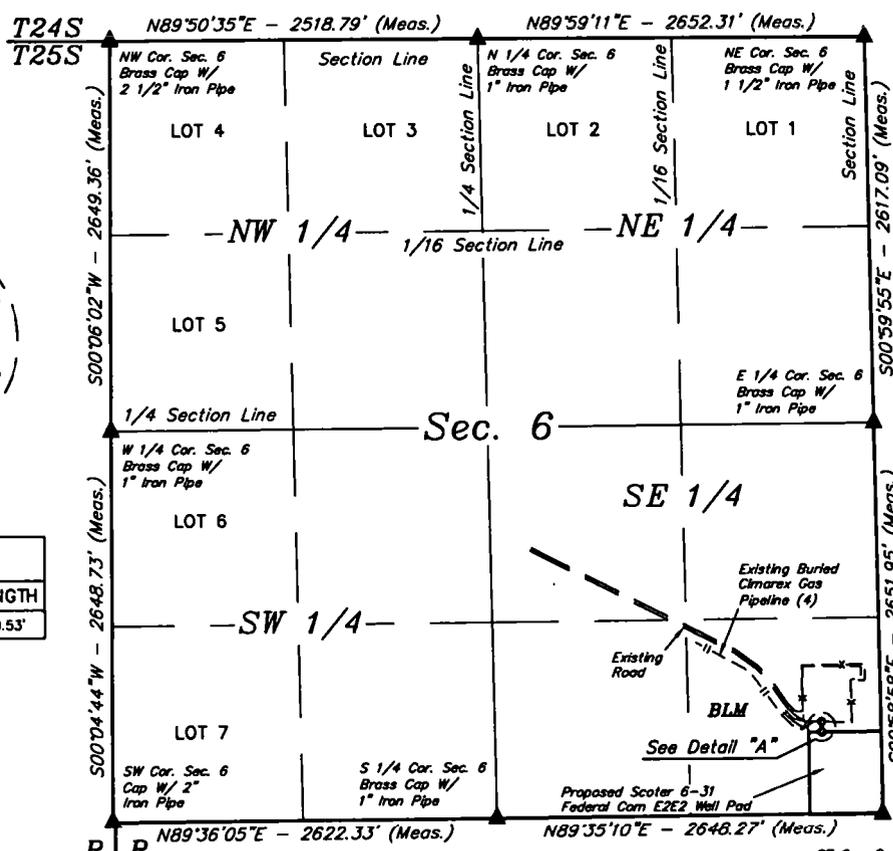


— 10" Water Line



TYPICAL
RIGHT-OF-WAY
DETAIL
NO SCALE

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°24'05"W	70.53'

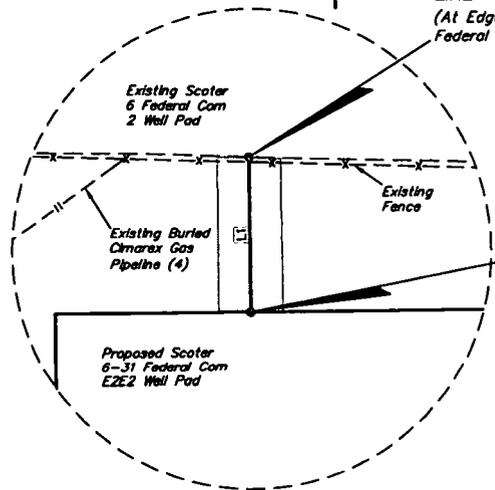


R
26
E

END OF PROPOSED FLOW
LINE RIGHT-OF-WAY
(At Edge of Existing Scoter 6
Federal Com 2 Well Pad)

BEGINNING OF FLOW LINE BEARS N37°09'11"W
692.54' FROM THE SOUTHEAST CORNER OF
SECTION 6, T25S, R27E, N.M.P.M.

END OF FLOW LINE BEARS N33°55'43"W
750.23' FROM THE SOUTHEAST CORNER OF
SECTION 6, T25S, R27E, N.M.P.M.



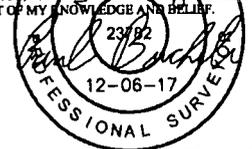
Detail "A"
No Scale



ACREAGE / LENGTH TABLE				
	OWNERSHIP	FEET	RODS	ACRES
SEC. 6 (SE 1/4)	BLM	70.53	4.27	0.049

▲ = SECTION CORNERS LOCATED.

CERTIFICATE
THIS IS TO CERTIFY THAT THIS EASEMENT PLAT AND
THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT
IS BASED WERE PERFORMED BY ME OR UNDER MY
DIRECT SUPERVISION, THAT I AM RESPONSIBLE FOR
THIS SURVEY, THAT THIS SURVEY MEETS THE
MINIMUM STANDARDS FOR SURVEYING IN NEW
MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.



FILE: 62498-A-1

Sheet 1 of 2

NOTES:
* Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

CIMAREX ENERGY CO.

SCOTER 6-31 FEDERAL COM 43H FLOW LINE
SECTION 6, T25S, R27E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

SURVEYED BY	A.H., A.G.	11-27-17	SCALE
DRAWN BY	L.W.	12-06-17	1" = 1000'

Flow line & Gas lift Route- Exhibit M & N



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Vernal, UT 84078 * (435) 789-1017

Cimarex Scoter 6-31 Federal Com 43H Surface Use Plan

Upon approval of the Application for Permit to Drill (APD) the following surface use plan of operations will be followed and carried out. The surface use plan outlines the proposed surface disturbance. If any other disturbance is needed after the APD is approved, a BLM sundry notice or right of way application will be submitted for approval prior to any additional surface disturbance.

Existing Roads

- Directions to location - Exhibit A.
- Public access route - Exhibit B.
- Existing access road for the proposed project. Please see Exhibit B and C.
- Cimarex Energy will:
 - Improve and/or maintain existing road(s) condition the same as or better than before the operations began.
 - Provide plans for improvement and /or maintenance of existing roads if requested.
 - Repair or replace damaged or deteriorated structures as needed. Including cattle guards and culverts.
 - Prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.
 - Obtain written BLM approval prior to the application of surfactants, binding agents, or other dust suppression chemicals on the roadways.
- The maximum width of the driving surface will be 18'. The road will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1' deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.

New or Reconstructed Access Roads

Cimarex Energy plans to construct a new on-lease access road

- Length: 234'.
- Width: 30'.
- Road Plat - Exhibit D.
- Cimarex Energy will complete improvements to the driving surface as needed.
- The maximum width of the driving surface for all roads above will be 18'.
- The road will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface.
- The ditches will be 1' deep with 3:1 slopes.
- The driving surface will be made of 6" rolled and compacted caliche.
- Cimarex Energy will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or other events.

Well Radius Map

Please see Exhibit E for wells within one mile or proposed well SHL and BHL.

Proposed or Existing Production Facility

An existing battery will be utilized for the project if the well is productive.

- Scoter 6 Federal Com 2H
 - Battery will not require an expansion in order to accommodate additional production equipment for the project.

Gas Pipeline Specifications

- No new gas pipelines are required for this project.

Salt Water Disposal Specifications

- No new SWD pipelines are required for this project.

Power Lines

- Cimarex plans to construct an on-lease power line to service the Scoter 6-31 Federal Com E2E2 pad.
- Overhead power line from an existing power source located in the SE 1/4 of Sec 6-25S-27E.
- Length: 764'.
- Poles: 3
- Specifications: 480 volt, 4 wire, 3 phase.
- Please see Exhibit I for proposed route.

Cimarex Scoter 6-31 Federal Com 43H

Surface Use Plan

Well Site Location

- Proposed well pad/location layout - Exhibit J.
- Proposed Rig layout - Exhibit K
 - The rig layout, including V-door and flare line may change depending on rig availability. The pad dimensions and orientation will remain the same. No additional disturbance is anticipated if a rig layout change is necessary to accommodate the drilling rig. If additional disturbance is required a sundry notice will be submitted to the BLM for approval.
 - Mud pits in the closed circulation system will be steel pits and the cuttings will be stored in the steel containment pits.
 - Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- Archeological boundary - Exhibit L
- Multi well pad: Scoter 6-31 Federal Com 43H thru 56H
- Pad Size: 500x560
- Construction Material
 - If possible, native caliche will be obtained from the excavation of drill site. The primary way of obtaining caliche will be by "turning over" the location. This means caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2,400 cu yds is the max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:
 - The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
 - An approximate 120' x 120' area is used within the proposed well site to remove caliche.
 - Subsoil is removed and piled alongside the 120' x 120' area within the pad site.
 - When caliche is found, material will be stockpiled within the pad site to build the location and road.
 - Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
 - Once well is drilled, the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in Exhibit J - Layout Diagram.
 - In the event that no caliche is found onsite, caliche will be hauled in from BLM-approved caliche pit in Sec. 7-25S-27E or Sec. 5-25S-26E.
 - Mud pits in the closed circulation system will be steel pits and the cuttings will be stored in steel containment pits.
- Cuttings will be stored in steel pits until they are hauled to a state-approved disposal facility.
- If the well is a producer, those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements. Exhibit P: Interim Reclamation Diagram.
- There are no known dwellings within 1.5 miles of this location.

Flowlines and Gas Lift Pipelines

All proposed pipelines will be constructed in a 30' ROW corridor.

- Flowlines
 - Cimarex Energy plans to construct on-lease flowlines to service the well.
 - 6" HP steel for oil, gas, and water production.
 - Length: 70'.
 - MAOP: 1,500 psi; Anticipated working pressure: 200-300 psi.
 - Please see Exhibit M for proposed on lease route.
- Gas Lift Pipeline
 - Cimarex Energy plans to construct on-lease gas lift pipelines to service the well.
 - 6" HP steel for gas lift.
 - Length: 70'.
 - MAOP: 1,500 psi; Anticipated working pressure: 200-300 psi.
 - Please see Exhibit N for proposed on lease route.

Water Resources

- A temporary surface fresh water pipeline(s) will be utilized for this project.
- Cimarex plans to lay the fresh water surface pipeline(s) prior to commencement of the stimulation job.
- 10" lay-flat surface pipeline.
- The surface pipeline(s) will follow the road from a frac pit to the well.
- Length: 3,229'.
- Operating pressure: <140 psi.
- Fresh water will be purchased from a 3rd party.
- Please see Exhibit O for proposed route.

Cimarex Scoter 6-31 Federal Com 43H

Surface Use Plan

Methods of Handling Waste

- Drilling fluids, produced oil, and water from the well during drilling and completion operations will be stored safely and disposed of properly in a NMOCD approved disposal facility.
- Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility. All trash on and around well site will be collected for disposal.
- Human waste and grey water will be contained and disposed of properly at a state approved disposal site.
- After drilling and completion operations, trash, chemicals, salts, frac sand and other waste will be removed and disposed of properly at a state approved disposal site.
- The well will be drilled utilizing a closed loop system. Drill cuttings will be properly disposed of into steel tanks and taken to an NMOCD approved disposal facility.

Waste Minimization Plan

See Gas Capture Plan.

Ancillary Facilities

No camps or airstrips to be constructed.

Interim and Final Reclamation

- Rehabilitation of the location will start in a timely manner after all proposed drilling wells have been drilled from the pad or if drilling operations have ceased as outlined below:
 - No approved or pending drill permits for wells located on the drill pad
 - No drilling activity for 5 years from the drill pad
- Surfacing materials will be removed and returned to a mineral pit or recycled to repair or build roads and well pads.
- Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.
- Exhibit P illustrates the proposed Surface Reclamation plans after cessation of drilling operations as outlined above.
 - The areas of the location not essential to production facilities and operations will be reclaimed and seeded per BLM requirements.
- Operator will amend the surface reclamation plan if well is a dry hole and/or a single well pad.

Surface Ownership

- The wellsite is on surface owned by Bureau of Land Management.
- A copy of Surface Use Agreement has been given to the surface owner.
- The land is used mainly for farming, cattle ranching, recreational use, and oil and gas production.

Cultural Resource Survey - Archeology

- Cultural Resources Survey will be conducted for the entire project as proposed in the APD and submitted to the BLM for review and approval.

On Site Notes and Information

Onsite Date: 3/28/2017

BLM Personnel on site: Jeff Robertson

Cimarex Energy personnel on site: Barry Hunt

Pertinent information from onsite:



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Injection well name:

Injection well API number:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001188

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	CIMAREX ENERGY CO.
LEASE NO.:	NMNM100332
WELL NAME & NO.:	43H –SCOTER 6-31 FEDERAL COM
SURFACE HOLE FOOTAGE:	365'/S & 320'/E
BOTTOM HOLE FOOTAGE:	330'/N & 1242'/E
LOCATION:	Section 6 T.25 S., R.27E., NMP
COUNTY:	EDDY County, New Mexico

COA

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input type="radio"/> Low	<input type="radio"/> Medium	<input checked="" type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP

A. Hydrogen Sulfide

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **400** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. **Additional cement maybe required. Excess calculates to 10%.**
 - 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.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing 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.
- ❖ In High Cave/Karst Areas if cement does not circulate to surface on the first two casing strings , the cement on the 3rd casing string must come to surface.
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
- Cement should tie-back 200' into the previous casing. Operator shall provide method of verification. **Additional cement maybe required. Excess calculates to 17%.**

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 **3000 (3M) psi**.

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

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.

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 integrity 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 integrity 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. **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.**

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. The results of the test shall be reported to the appropriate BLM office.**
 - 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. 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.
- f. 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. This test shall be performed prior to the test at full stack pressure.
- g. 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.

Waste Minimization Plan (WMP)

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

ZS 072318

**PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	CIMAREX ENERGY CO.
LEASE NO.:	NMNM100332
WELL NAME & NO.:	43H -SCOTER 6-31 FEDERAL COM
SURFACE HOLE FOOTAGE:	365'/S & 320'/E
BOTTOM HOLE FOOTAGE:	330'/N & 1242'/E
LOCATION:	Section 6 T.25 S., R.27E., NMP
COUNTY:	EDDY County, New Mexico

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.

- General Provisions**
- Permit Expiration**
- Archaeology, Paleontology, and Historical Sites**
- Noxious Weeds**
- Special Requirements**
 - Hydrology
 - Cave/Karst
 - Wildlife
 - Soils
 - Vegetation
 - Range
- Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- Road Section Diagram**
- Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- Interim Reclamation**
- Final Abandonment & Reclamation**

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)

Hydrology:

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, siting 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.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production:

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.

Pad Berming:

- The entire perimeter of the 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 high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- 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.
- 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 access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

Tank Battery Liners and Berms:

Tank battery locations and all facilities will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating 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.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

FLOWLINES (SURFACE):

- Flowlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize the possibility of leaks and spills from entering karst systems.
- If a void is encountered alignments may be rerouted to avoid the karst feature and lessen; the potential of subsidence or collapse of karst features, buildup of toxic or combustible gas, or other possible impacts to cave and karst resources from the buried pipeline.
- Regular monitoring is required to quickly identify leaks for their immediate and proper treatment.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

Wildlife

Cimarex would need to construct and maintain escape ramps according to the following criteria:

- Earthen escape ramps would be required to be constructed to sufficiently support livestock at no more than a 30-degree slope and spaced no more than 500 feet apart.
- If trench is left open under an 8-hour time period, it would not be required to have an escape ramp; however, before the trench is backfilled, Cimarex would inspect the trench for wildlife and remove any species that are trapped at a distance of at least 100 yards away from the trench.

Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006"

Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all power line structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. The holder without liability or expense shall make such modifications and/or additions to the United States.

Texas Hornshell mussel (*Popenaias popeii*)-Federally Endangered

- No surface disturbance within 200 meters of the flood plain.

Soils

Topsoil will be stockpiled no higher than 3 feet high to enhance reclamation. If topsoil will not be utilized within the allowed 6 months the company will be required to seed in place.

New Access Road Erosion Control:

The side slopes of any drainage channels or swales that are crossed will be recontoured to original grade and compacted and mulched as necessary to avoid erosion. Where steeper slopes cannot be avoided, water bars or silt fence will be constructed, mulch/rip-rap applied, or other measures employed as necessary to control erosion. Hay bales, straw waddles or silt fence may also be installed to control erosion as needed. All disturbed areas will be seeded with a mix appropriate for the area unless specified otherwise by the landowner.

Soil Treatment:

As necessary, the soil surface would be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching or fertilizing.

Interim reclamation will be conducted on all disturbed areas not needed for active support of production operations, and if caliche is used as a surfacing material it will be removed at time of reclamation to mitigate impacts to soil resources. Interim reclamation must be completed within 6 months of completion of well.

Vegetation

Topsoil will be stockpiled and drill-seeded in place to enhance reclamation.

New Access Road Erosion Control:

The side slopes of any drainage channels or swales that are crossed will be recontoured to original grade and compacted and mulched as necessary to avoid erosion. Where steeper slopes cannot be avoided, water bars or silt fence will be constructed, mulch/rip-rap

applied, or other measures employed as necessary to control erosion. Hay bales, straw wattles or silt fence may also be installed to control erosion as needed. All disturbed areas will be seeded with a mix appropriate for the area unless specified otherwise by the landowner.

Soil Treatment:

As necessary, the soil surface would be prepared to provide a seedbed for re-establishment of desirable vegetation. Site preparation may include gouging, scarifying, dozer track-walking, mulching or fertilizing.

Interim reclamation will be conducted on all disturbed areas not needed for active support of production operations, and if caliche is used as a surfacing material it will be removed at time of reclamation to enhance re-establishment of vegetation.

Range

Livestock Watering Requirement

Cimarex must contact the allotment holder prior to construction to identify the location of the pipeline. Cimarex must take measures to protect the pipeline from compression or other damages. If the pipeline is damaged or compromised in any way near the proposed project as a result of oil and gas activity, Cimarex is responsible for repairing the pipeline immediately. Cimarex must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

During construction, Cimarex shall minimize disturbance to existing fences, water lines, troughs, windmills, and other improvements on public lands. Cimarex 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 grazing permittee/allottee prior to disturbing any range improvement projects. 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.

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

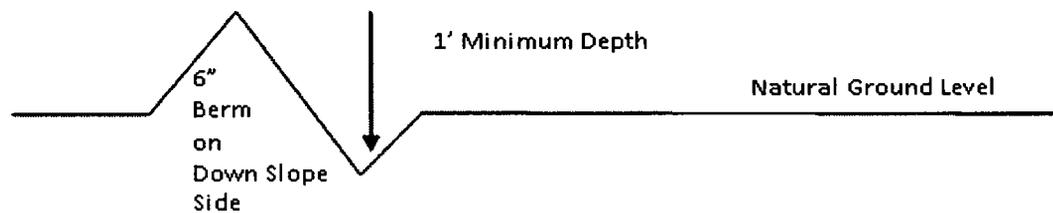
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill out sloping 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:

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

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

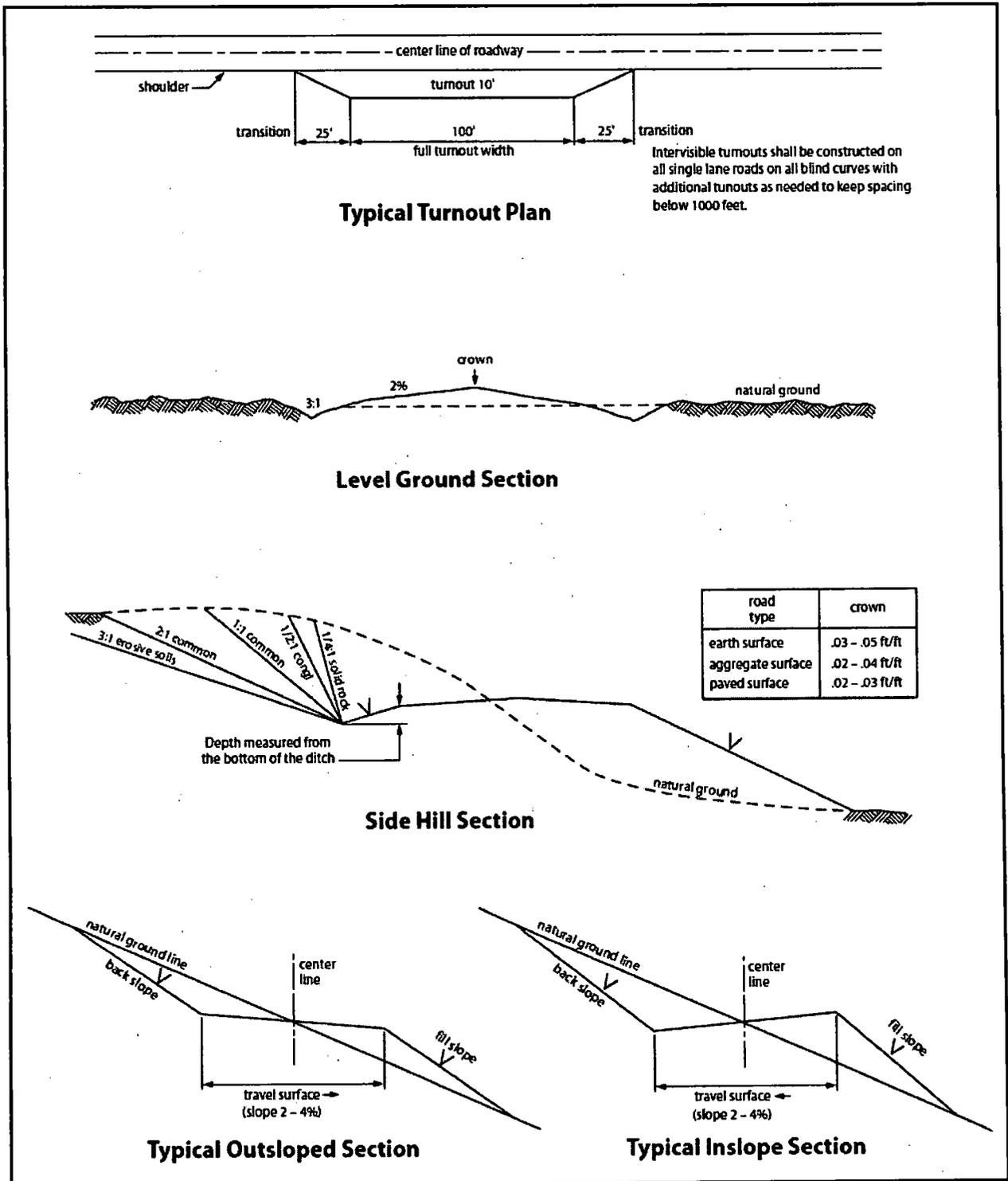


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review 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. 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. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard 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 in particular, 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. 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 provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. 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 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 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/she 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 Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall 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 shall 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 shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

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

8. 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 or dune areas, the pipeline shall be "snaked" around hummocks and dunes rather than 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 shall be less than or equal to 4 inches and a working pressure below 125 psi.

BURIED PIPELINE STIPULATIONS

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.

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

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant 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 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. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. 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 the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. 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 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.

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).

Seed Mixture 1 for Loamy Sites

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 shall 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 shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may 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>
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

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