

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Cimarex Energy Co. of Colorado

3a. Address
600 N. Marienfeld St., Ste. 600; Midland, TX 79701

3b. Phone No. (include area code)
432-571-7800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
3-17S-30E

5. Lease Serial No.

NM-074937

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Poseidon 3 Frac Pit

9. API Well No.

Various

10. Field and Pool, or Exploratory Area

Loco Hills; Glorieta-Yeso

11. County or Parish, State

Eddy County, NM

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, included estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)
- Cimarex proposes to construct a 200' X 400' X 8' fresh water frac pit on our Poseidon lease as shown on attached plat and topo. Pit floor will be lined with Geofoam or caliche to protect against rocks if any. Pit will be fenced with a 5 wire barb wire fence with a 12' gate at the northeast corner of the pit. The pit will service Cimarex operated Yeso and Bone Spring completions in the area. Fast lines from water haulers will be utilized along existing roads to fill the pit and transport fresh water to the wells for fracing.

When drilling has ceased in the area pit area will be reclaimed, contoured, and reseeded per BLM specifications.

MOA contribution for well pad will be sent under separate cover.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Zeno Farris

Signature

Title

Manager Operations Administration

Date

February 2, 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /s/ Don Peterson

Title FIELD MANAGER

Date FEB 26 2010

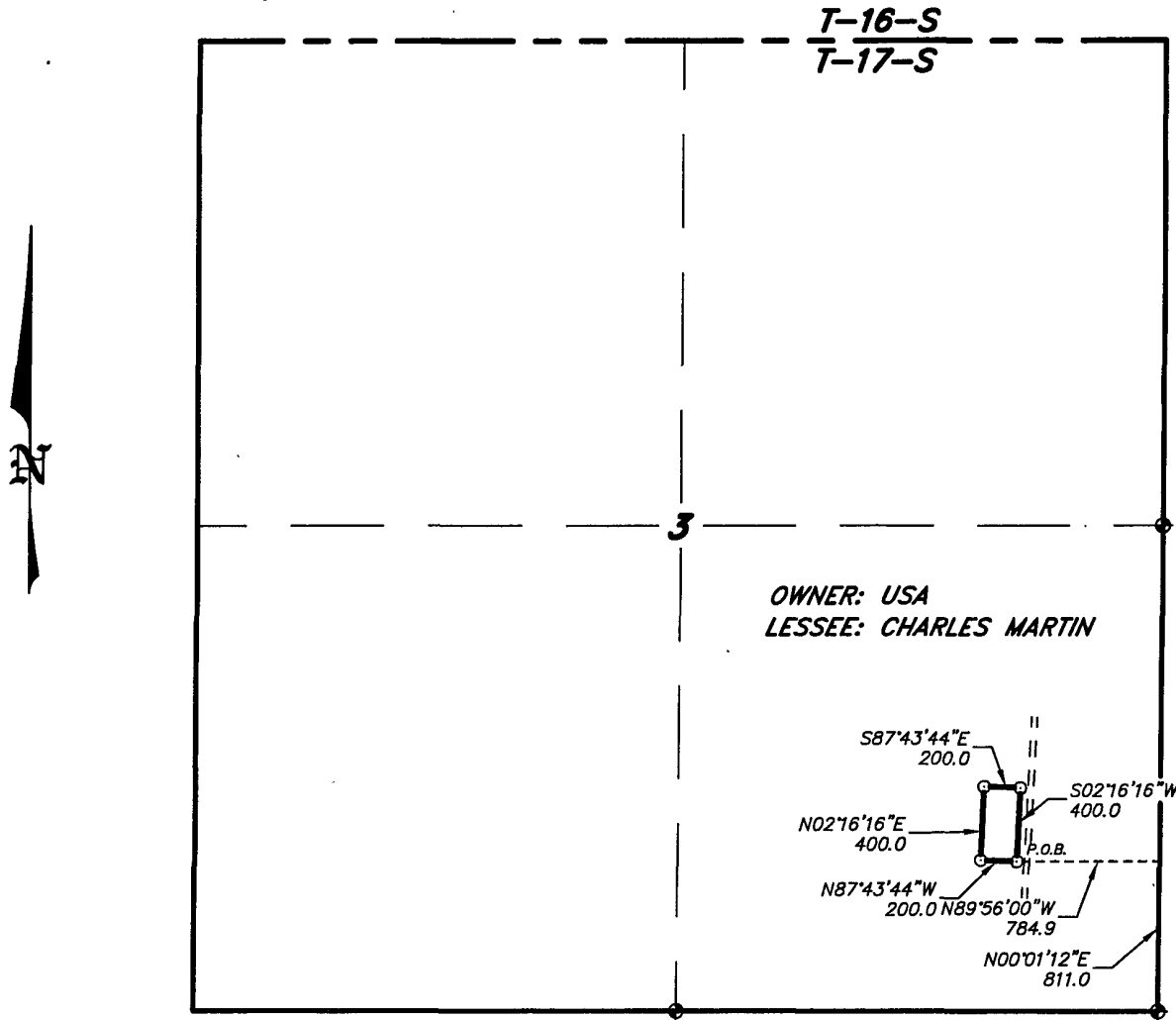
Conditions of Approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office CARLSBAD FIELD OFFICE

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

(Instructions on reverse)

SECTION 3, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

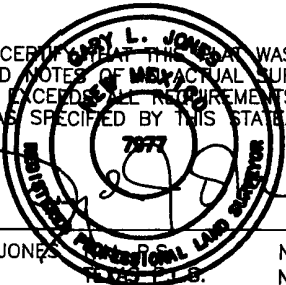


LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN SECTION 3, TOWNSHIP 17 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES N.00°01'12"E., 811.0 FEET AND N.89°56'00"W., 784.9 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 3; THENCE N.87°43'44"W., 200.0 FEET; THENCE N.02°16'16"E., 400.0 FEET; THENCE S.87°43'44"E., 200.0 FEET; THENCE S.02°16'16"W., 400.0 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 80000.0 SQUARE FEET OR 1.84 ACRES, MORE OR LESS.

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



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

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

W.O. Number: 22282 Drawn By: J. M. SMALL

Date: 01-22-2010 Disk: JMS 22282

1000 0 1000 2000 FEET

CIMAREX ENERGY COMPANY OF COLORADO

REF: PROPOSED FRAC PIT

A FRAC PIT LOCATED ON USA LAND IN
SECTION 3, TOWNSHIP 17 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 01-21-2010 Sheet 1 of 1 Sheets

BLM LEASE NUMBER: NM-074937
COMPANY NAME: Cimarex Energy Co. of Colorado
ASSOCIATED WELL NO. & NAME: Poseidon 3 Frac pit

FRAC POND CONDITIONS OF APPROVAL

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

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

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
3. The frac pond will only be authorized to contain freshwater and testing of water quality is required. If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly. Reclamation efforts will then commence. Otherwise, reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing the wells. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting therefrom, 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.
4. All construction and maintenance activity should be confined to the authorized area to avoid excess disturbance.
5. Mineral materials extracted during construction of the frac pond shall not be used for surfacing the well pad or access road or other facilities. All mineral material extracted shall only be used for constructing the frac pond.
6. The frac pond will be lined with 6-mil plastic. The frac pond shall be constructed so that upon completion of drilling operations the plastic lining will be removed.
7. The operator shall stockpile the topsoil of the frac pond in an appropriate manner. The topsoil will be used for final reclamation.
8. The frac pond shall be fenced on all sides.

9. 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.

10. Seeding is required and will be done according to the attached seeding requirements, using the following seed mix.

Seed Mixture for LPC Sand/Shinnery Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

**Four-winged Saltbush 5lbs/A

* This can be used around well pads and other areas where caliche cannot be removed.

*Pounds of pure live seed:

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

11. 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.

12. 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.

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

14. 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.

15. When the frac pond is no longer stimulating wells, reclamation shall commence. The plastic liner shall be removed before any earthwork begins. Any associated pipelines shall be removed as well. Earthwork for final reclamation must be completed within six (6) months of final well completion. The frac pond location must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the frac pond intact. After all disturbed areas have been satisfactorily prepared; these areas need to be revegetated with the seed mixture provided. 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 reclamation operations for site specific objectives (Jim Amos: 575-234-5909).

16. Special Stipulations: The caliche pit located approximately 85 feet east of the proposed project shall remain undisturbed in order to protect the wildlife burrows located within it.

No surface disturbance within up to 200 meters of nests or by delaying activity for up to 90 days, or a combination of both. Exceptions to this requirement for raptor burrow nests will be considered if the nests expected to be disturbed are inactive.

API Well Number :

OGRID Name :

Property Name :

Pool Name :

County :

Well Type :

Well Status :

Permit :

Section :

Township :

Range :

Land:

Dir.

Dir.

Company

Inspections

Well Master

Scheduler

Mech. Int. Tests

Well History

Data Action

Inactive Detail

Env. Inspections

Admin Permits

Inactive Mgt.

Incidents

Hearing Orders

R

U

N

G

I

S

Pool Master

Compliance

Surf Facilities

Clear Criteria Fields

Make User Table for Group

Inspection, Sync,

Schedule, Prevent, Etc.

Quick

Print

Close all
Functions
and Exit
RBDMS

WELL FILTER SUB FORM

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf	UL	Se
30-015-36569-00-00	POSEIDON 3 FEDERAL	006	CIMAREX ENERGY CO. O O	A	Eddy	F	J		
30-015-36570-00-00	POSEIDON 3 FEDERAL	004	CIMAREX ENERGY CO. O O	A	Eddy	F	K		
30-015-36607-00-00	POSEIDON 3 FEDERAL	002	CIMAREX ENERGY CO. O O	N	Eddy	F	L		
30-015-36608-00-00	POSEIDON 3 FEDERAL	008	CIMAREX ENERGY CO. O O	N	Eddy	F	I		
30-015-36609-00-00	POSEIDON 3 FEDERAL	009	CIMAREX ENERGY CO. O O	N	Eddy	F	M		
30-015-36610-00-00	POSEIDON 3 FEDERAL	011	CIMAREX ENERGY CO. O O	N	Eddy	F	N		
30-015-36611-00-00	POSEIDON 3 FEDERAL	012	CIMAREX ENERGY CO. O O	N	Eddy	F	K		
30-015-36612-00-00	POSEIDON 3 FEDERAL	014	CIMAREX ENERGY CO. O O	N	Eddy	F	J		
30-015-36613-00-00	POSEIDON 3 FEDERAL	015	CIMAREX ENERGY CO. O O	N	Eddy	F	P		
30-015-36614-00-00	POSEIDON 3 FEDERAL	016	CIMAREX ENERGY CO. O O	N	Eddy	F	I		
30-015-36743-00-00	POSEIDON 3 FEDERAL	007	CIMAREX ENERGY CO. O O	N	Eddy	F	P		
30-015-36820-00-00	POSEIDON 3 FEDERAL	001	CIMAREX ENERGY CO. O O	N	Eddy	F	M		
30-015-36821-00-00	POSEIDON 3 FEDERAL	013	CIMAREX ENERGY CO. O O	N	Eddy	F	O		
30-015-36822-00-00	POSEIDON 3 FEDERAL	005	CIMAREX ENERGY CO. O O	N	Eddy	F	O		
30-015-36823-00-00	POSEIDON 3 FEDERAL	003	CIMAREX ENERGY CO. O O	N	Eddy	F	N		