

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCD Hobbs

MAR 10 2011

HOBBSSOCD

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.

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

5 Lease Serial No

LC 065710A

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

Lusk Frac Pit

9 API Well No

NA

10 Field and Pool, or Exploratory Area

NA

11 County or Parish, State

Lea County, NM

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)

20-19S-32E

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

TYPE OF SUBMISSION

☒ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Build Fresh water
Frac Pit

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 450' X 400' X 10' fresh water frac pit on lease as shown on attached plat and topo. Pit will service Cimarex operated Bone Spring wells in the area including the East Lusk 15 Fed Com 1, 2,3; East Lusk 24 Fed Com 1,2; and State DR Com 6,7,8 Southeast Lusk 33 Fed 1,2,3,4 wells in sections 15,24, 16, and 33 of 19S-32E, respectively. Pit floor will be lined with Geofoam or caliche to protect against rocks if any then wil 12 mil plastic liner. Pit will be fenced with a 4 wire barb wire fence with a 12' gate at the southeast corner of the pit. Fast lines/or trucks will be utilized along existing roads and cooridors to fill the pit with fresh water and transfer lines will utilize existing cooridors to to transfer water to wells for fracing. Cimarex will meet with BLM surface specialist to determine route for fast lines and water transfer lines prior to laying. When drilling has ceased in the area pit area will be reclaimed, contoured, and reseeded per BLM specifications. See attaced well service map

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

30-025-39957 30-025-39796
30-025-39794 30-025-40300
30-025-39793 30-025-40255
30-025-39795 30-025-40256

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

Zeno Farris

Signature

Zeno Farris

Title

Manager Operations Administration

Date

February 11, 2011

PETROLEUM ENGINEER

MAR 15 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Charlotte A. Martinez

for FIELD MANAGER

Date 03/08/2011

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.

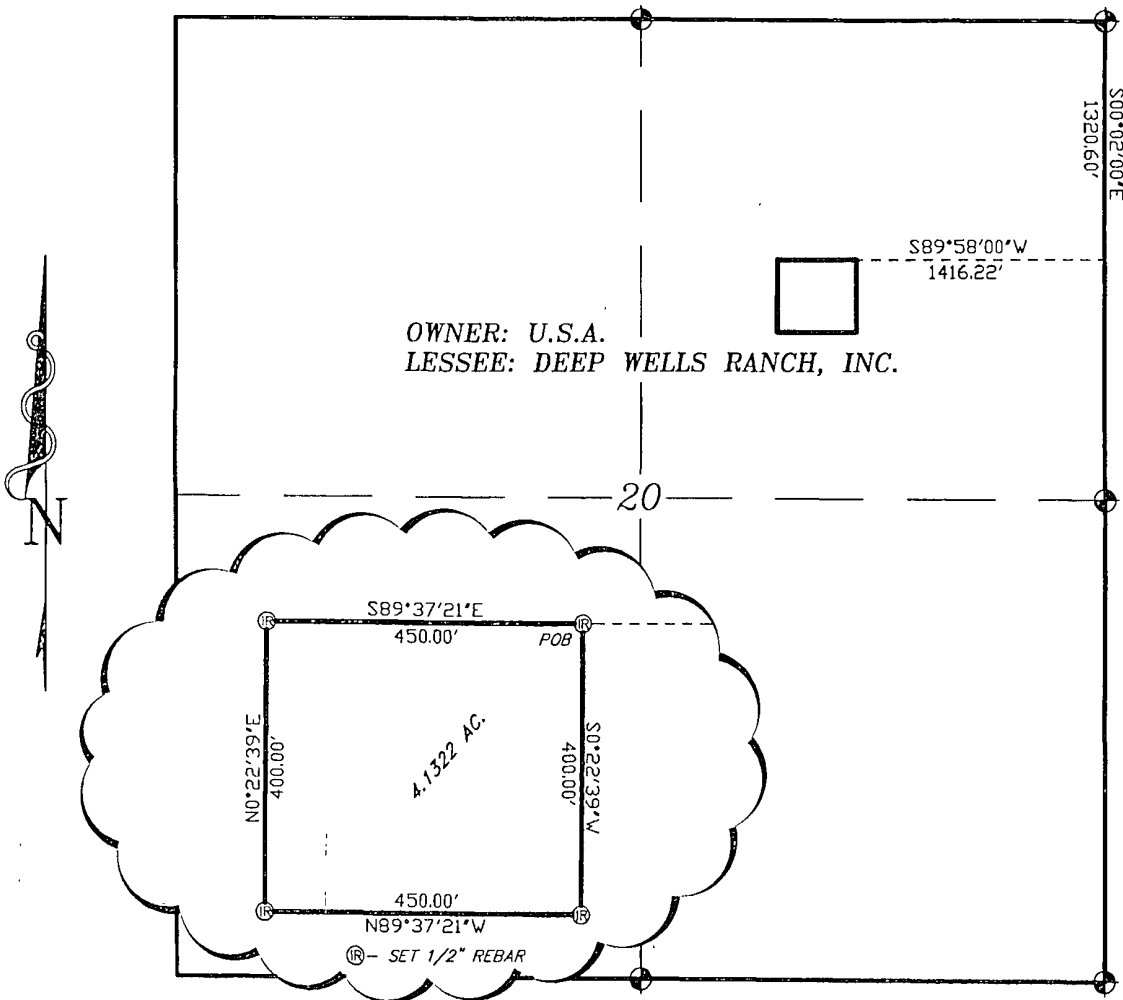
Office

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 statement or representations as to any matter within its jurisdiction.

(Instructions on reverse)

SECTION 20, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN SECTION 20, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.00°02'00"E., 1320.60 FEET AND S.89°58'00"W., 1416.22 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 20; THENCE S.00°22'39"W., 400.00 FEET; THENCE N.89°37'21"W., 450.00 FEET, THENCE N.00°22'39"E., 400.00 FEET, THENCE S.89°37'21"E., 450.00 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 4.1322 ACRES, MORE OR LESS.

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

GARY L. JONES, Surveyor No. 7977
LEA COUNTY, N.M.

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

W.O. Number: 23993 Drawn By: K. GOAD

Date: 01-13-2011 Disk: KJG - 23993TRACT.DWG

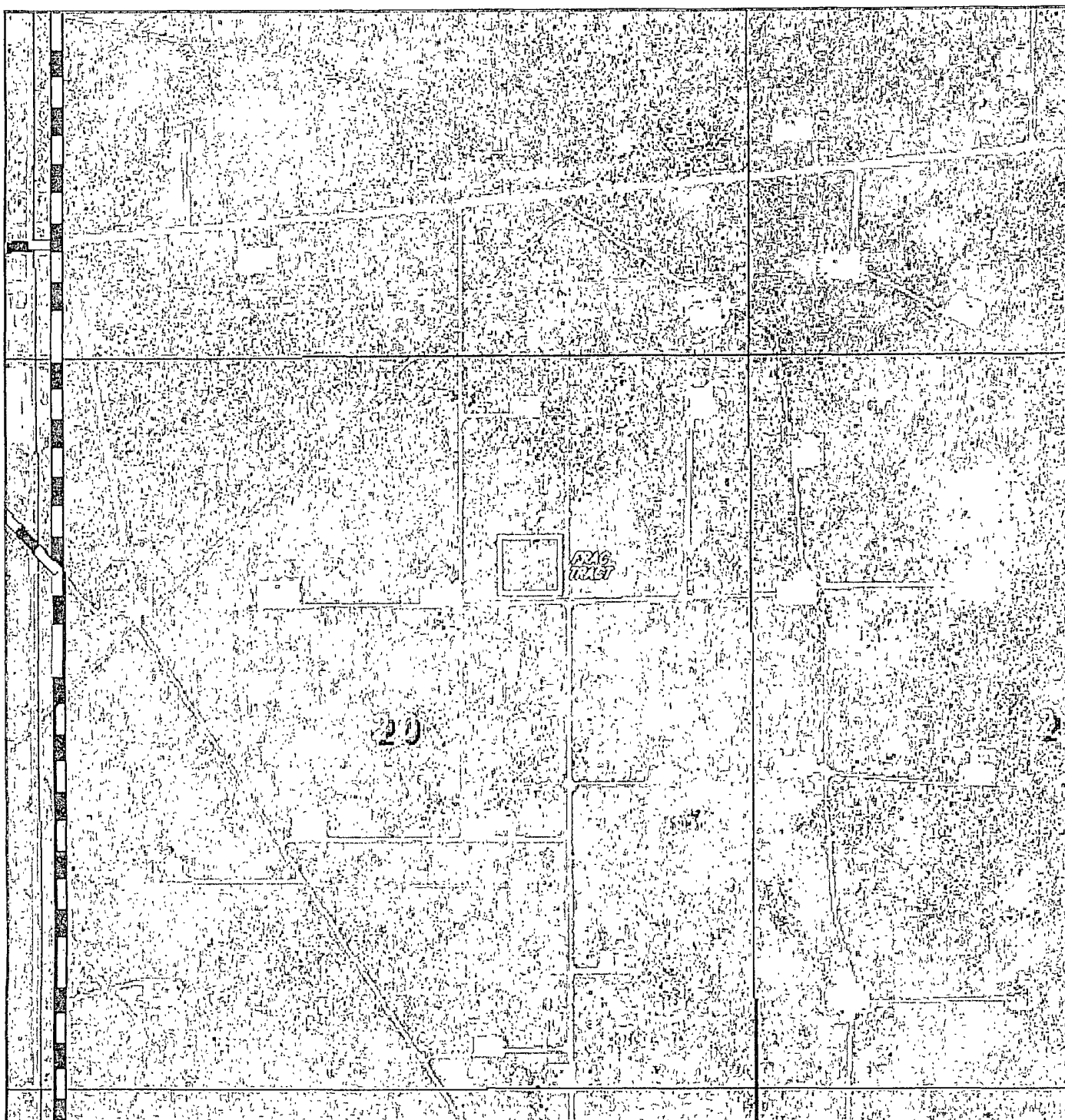
1000 0 1000 2000 FEET

CIMAREX ENERGY CO. OF COLORADO

REF: PROPOSED FRAC PIT

A TRACT OF LAND IN
SECTION 20, TOWNSHIP 19 SOUTH, RANGE 32 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 01-07-2011 Sheet 1 of 1 Sheets



PROPOSED FRAC PIT
Section 20, Township 19 South, Range 32 East,
N.M.P.M., Lea County, New Mexico.

basin
surveys

focused on excellence
in the oilfield

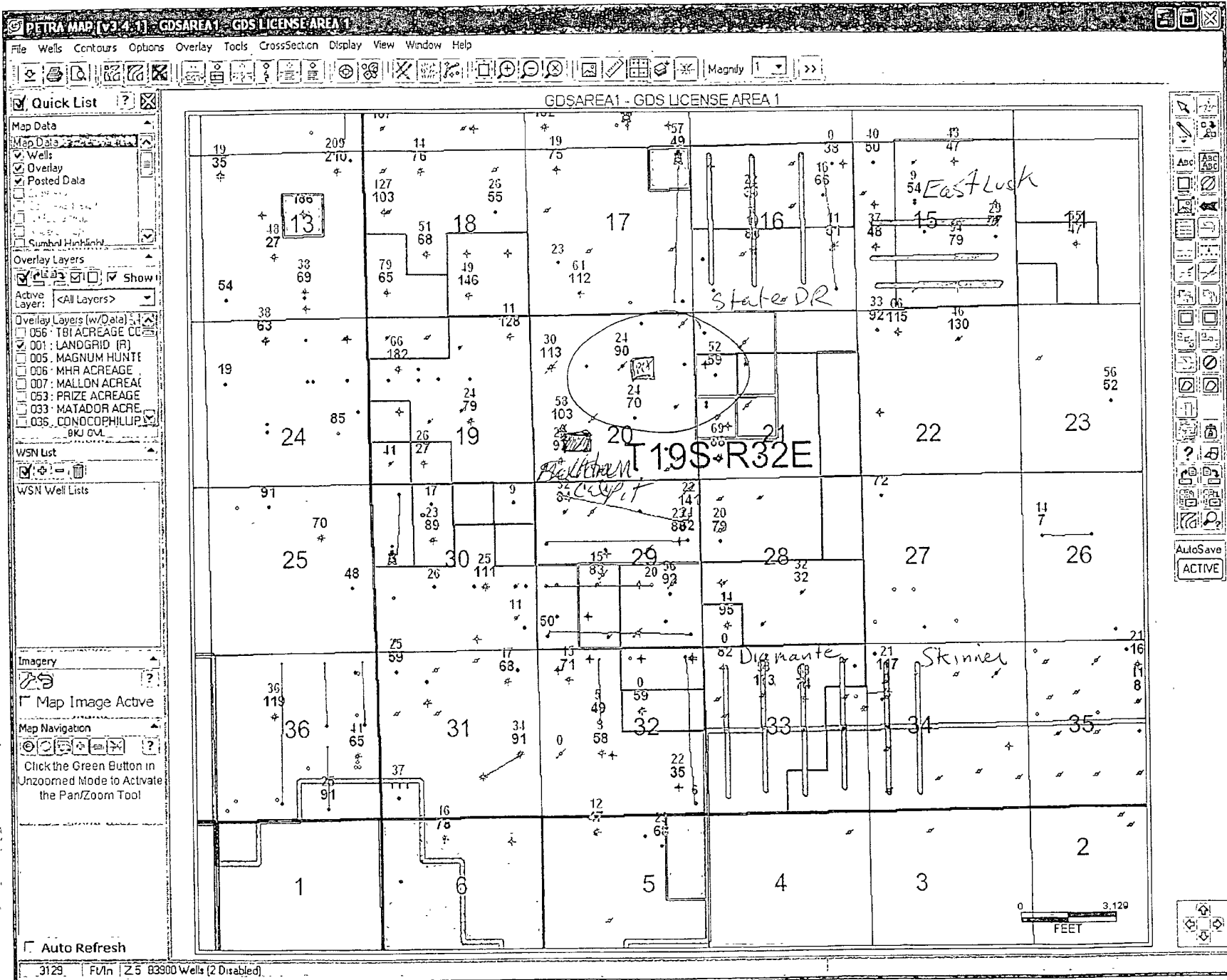
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: KJG - 23993

Scale: 1" = 1000'

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

CIMAREX
ENERGY CO.
OF COLORADO



BLM LEASE NUMBER: LC-065710A

COMPANY NAME: Cimarex Energy Co. of Colorado

ASSOCIATED WELL NO. & NAME: East Lusk 15 Fed Com 1, 2, 3;
East Lusk 24 Fed Com 1, 2; and State DR Com 6, 7, 8; Southeast Lusk 33 Fed 1,
2, 3, 4

FRAC POND CONDITIONS OF APPROVAL

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

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

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.

3. Required Standard Conditions of Approval:

- Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.
- The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer.
- 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.
- Confine all construction and maintenance activity to the authorized area.
- Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer.
- Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.
- The frac pond will be lined.

- The operator shall stockpile topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion
- Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.
- The frac pond shall be fenced on all sides with a 4-strand barbwire fence at the **base** of the berm. The fence strands shall be tight and maintained through the life of the pond.
 - All strands of the frac pond boundary fence will be marked by using highly visible and/or reflective markers at staggered intervals of 4 feet. (Contact: Johnny Chopp 575.234.2227).
- Inner walls of the frac pond will have a minimum of a 3:1 slope ratio in order to minimize the entrapment of fauna.
- Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.
- The plastic lining will be removed prior to final abandonment
- Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:

Any roads approved for use with the pond

Surface water lines

Tanks, pumps, fencing etc.

- Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Requirements for Operations and Final Reclamation:

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

5. 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.

6. 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.

7. 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.

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

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

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

10. The topsoil to be stripped is approximately 6 inches in depth.

11. Special Stipulations:

12. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full

expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

EA File # 11-460