

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oed Adams
HOBBS OCD

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

MAR 12 2014

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

5. Lease Serial No.
NM-3622

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CIMAREX ENERGY COMPANY

3a. Address
15 EAST 5TH STREET, SUITE 1000
TULSA, OKLAHOMA 74103-4346

3b. Phone No. (include area code)
432-620-1959 MICHELLE CHAPPELL

7. If Unit of CA/Agreement, Name and/or No.
PIPELINE DEEP UNIT

8. Well Name and No.
PIPELINE DEEP UNIT 17 FED #2

9. API Well No.
30-025-37194

10. Field and Pool or Exploratory Area
QUAIL RIDGE; MORROW

11. County or Parish, State
LEA, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>ELECTRIC LINE</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

CIMAREX ENERGY COMPANY REQUESTS APPROVAL FOR 5,278.19 FT. OF A 12.5 KV, 4-WIRE, 3 PHASE, OVERHEAD ELECTRIC LINE, FROM THE EXISTING LINE IN THE NW/4SE/4 OF SECTION 7, T. 19 S., R. 34 E., FOLLOWING THE EXISTING ACCESS ROAD (ON EAST SIDE), TO THE WELL IN THE SW/4NW/4 OF SECTION 17, T. 19 S., R. 34 E.
TOTAL LENGTH = 5,278.19 FT., 3.64 ACRES OR 1.0 MILE WITH 18 POLES REQUIRED.

ENTIRE ROUTE IS WITHIN THE ORIGINAL ARCHAEOLOGICALLY CLEARED AREA FOR THE ACCESS ROAD. ENTIRE ROUTE IS WITHIN THE PIPELINE DEEP UNIT.
CONSTRUCTION WILL BEGIN UPON APPROVAL OF THIS APPLICATION.

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

Title PERMIT AGENT FOR CIMAREX ENERGY COMPANY

Signature *[Signature]* Date 12/10/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **IS/ STEPHEN J. CAFFEY** Title FIELD MANAGER Date **MAR - 6 2014**

Office CARLSBAD FIELD OFFICE

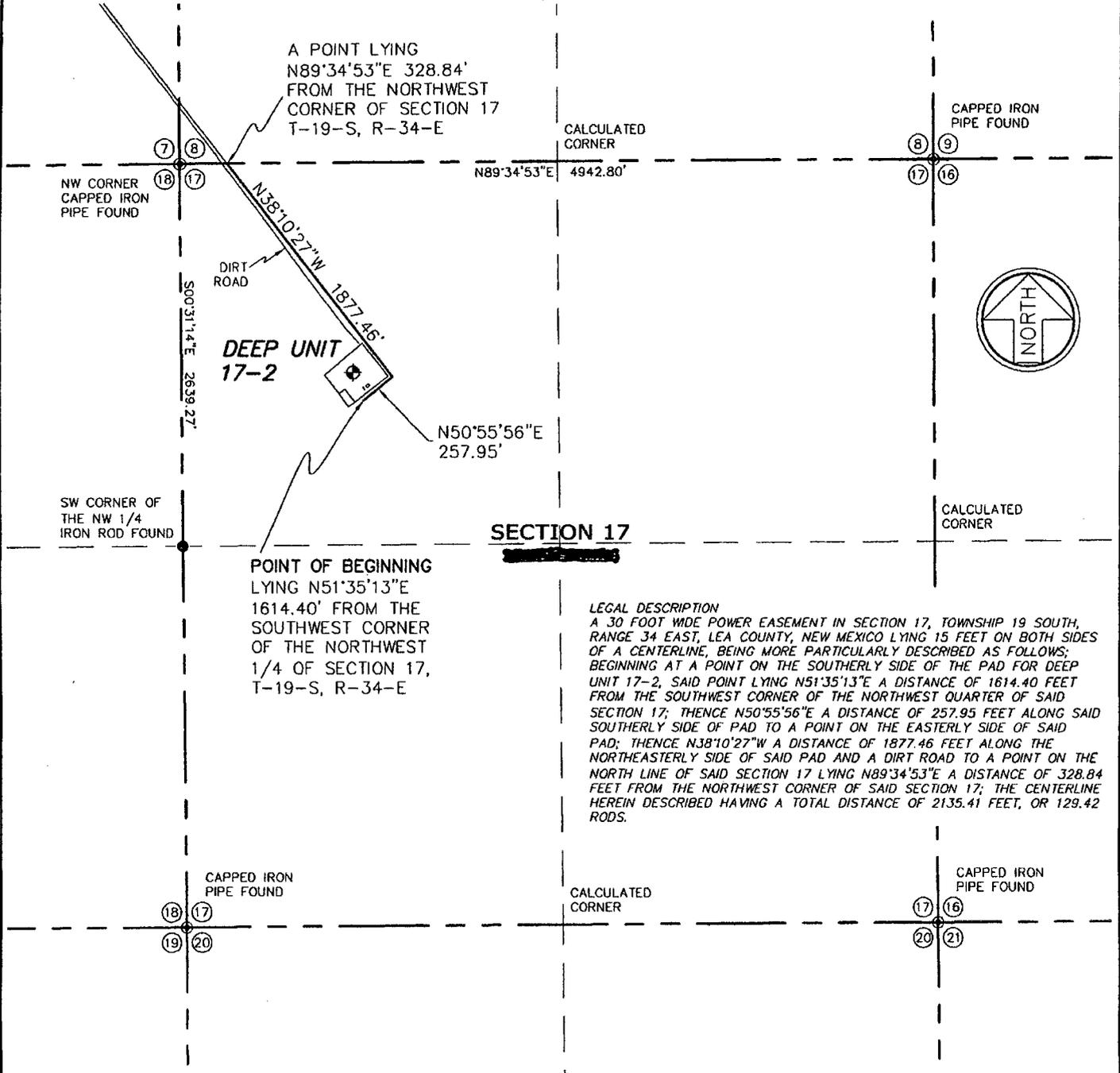
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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.

BS

MAR 13 2014

SECTION 17, TOWNSHIP 19 SOUTH, RANGE 34 EAST
LEA COUNTY, NEW MEXICO



LEGAL DESCRIPTION

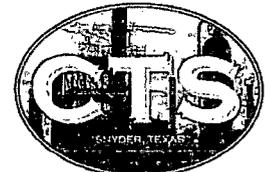
A 30 FOOT WIDE POWER EASEMENT IN SECTION 17, TOWNSHIP 19 SOUTH, RANGE 34 EAST, LEA COUNTY, NEW MEXICO LYING 15 FEET ON BOTH SIDES OF A CENTERLINE, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF THE PAD FOR DEEP UNIT 17-2, SAID POINT LYING N51°35'13"E A DISTANCE OF 1614.40 FEET FROM THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 17; THENCE N50°55'56"E A DISTANCE OF 257.95 FEET ALONG SAID SOUTHERLY SIDE OF PAD TO A POINT ON THE EASTERLY SIDE OF SAID PAD; THENCE N38°10'27"W A DISTANCE OF 1877.46 FEET ALONG THE NORTHEASTERLY SIDE OF SAID PAD AND A DIRT ROAD TO A POINT ON THE NORTH LINE OF SAID SECTION 17 LYING N89°34'53"E A DISTANCE OF 328.84 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 17; THE CENTERLINE HEREIN DESCRIBED HAVING A TOTAL DISTANCE OF 2135.41 FEET, OR 129.42 RODS.

CIMAREX ENERGY CO.

QUAIL RIDGE POWERLINE EASEMENT FROM DEEP UNIT 17-2 TO MAIN LEASE ROAD

I, Raymond R. Williams, New Mexico Professional Land Surveyor 20781, do hereby certify that this survey map is a true and accurate representation of the easement described hereon, and that the Survey performed on 10/04/13 was not a Boundary Survey.

Raymond Williams 10-22-13
RAYMOND R. WILLIAMS, PS (NM 20781)

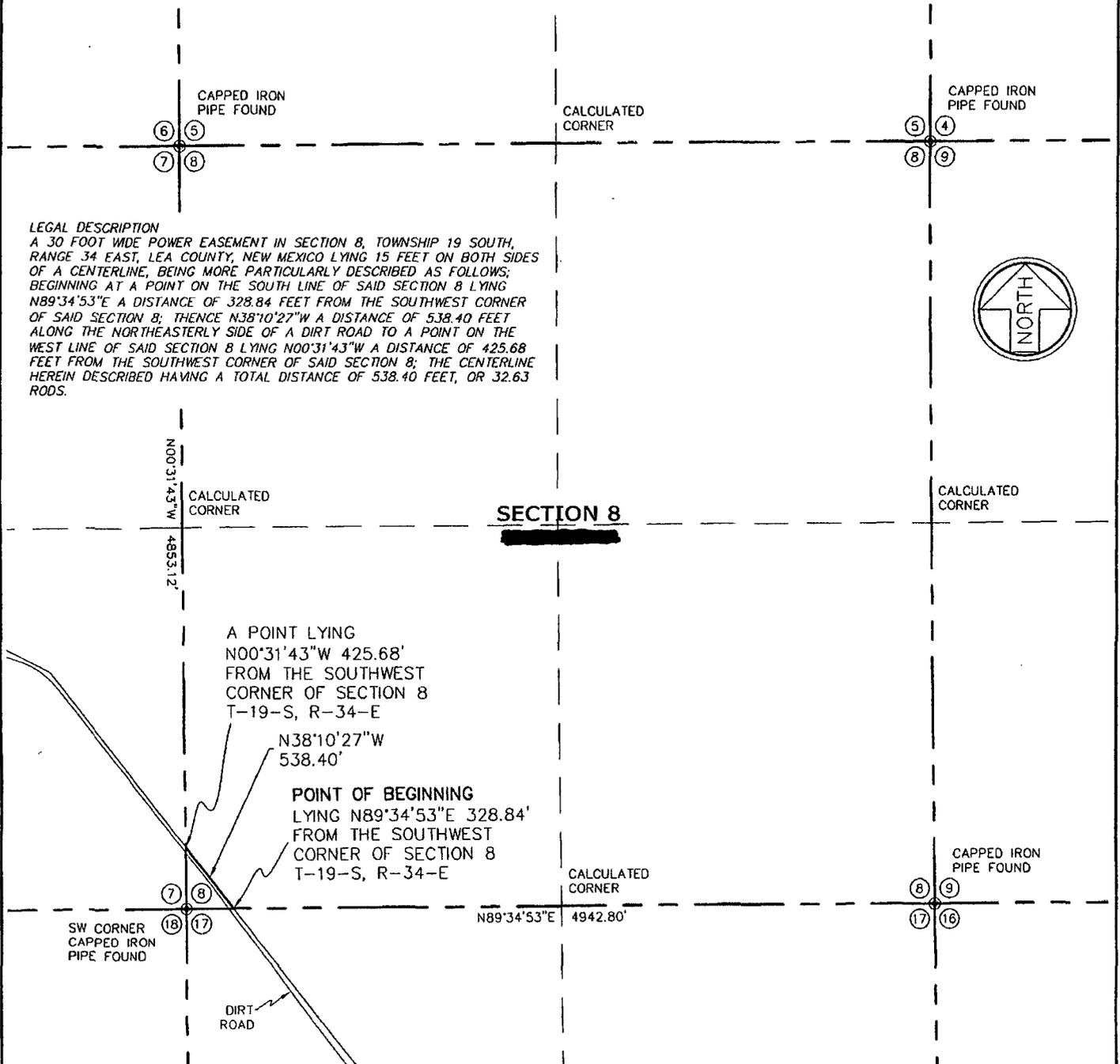


CTS SURVEYING & MAPPING
2619 COLLEGE AVENUE
SNYDER, TX 79549
PHONE (325)573-5500
FAX (325)573-5502

THIS DRAWING IS NOT VALID UNLESS BEARING AN ORIGINAL SIGNATURE, DATE AND EMBOSSED SURVEYOR'S SEAL.
BEARINGS ARE BASED ON NEW MEXICO STATE PLANE COORDINATE SYSTEM NAD 83 (2011) NEW MEXICO ZONE (3001).
THIS SURVEY IS VALID FOR THIS TRANSACTION ONLY. ©2013, CONSTRUCTION AND TURNAROUND SPECIALIST, INC. (TX FIRM #101774)

JOB # 2013-0893 DATE 10/08/13
SCALE 1"=1000' SHEET 2 OF 4

SECTION 8, TOWNSHIP 19 SOUTH, RANGE 34 EAST
LEA COUNTY, NEW MEXICO



LEGAL DESCRIPTION

A 30 FOOT WIDE POWER EASEMENT IN SECTION 8, TOWNSHIP 19 SOUTH, RANGE 34 EAST, LEA COUNTY, NEW MEXICO LYING 15 FEET ON BOTH SIDES OF A CENTERLINE, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION 8 LYING N89°34'53"E A DISTANCE OF 328.84 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 8; THENCE N38°10'27"W A DISTANCE OF 538.40 FEET ALONG THE NORTHEASTERLY SIDE OF A DIRT ROAD TO A POINT ON THE WEST LINE OF SAID SECTION 8 LYING N00°31'43"W A DISTANCE OF 425.68 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 8; THE CENTERLINE HEREIN DESCRIBED HAVING A TOTAL DISTANCE OF 538.40 FEET, OR 32.63 RODS.

CIMAREX ENERGY CO.

QUAIL RIDGE POWERLINE EASEMENT FROM DEEP UNIT 17-2 TO MAIN LEASE ROAD

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Raymond R. Williams 10-22-13

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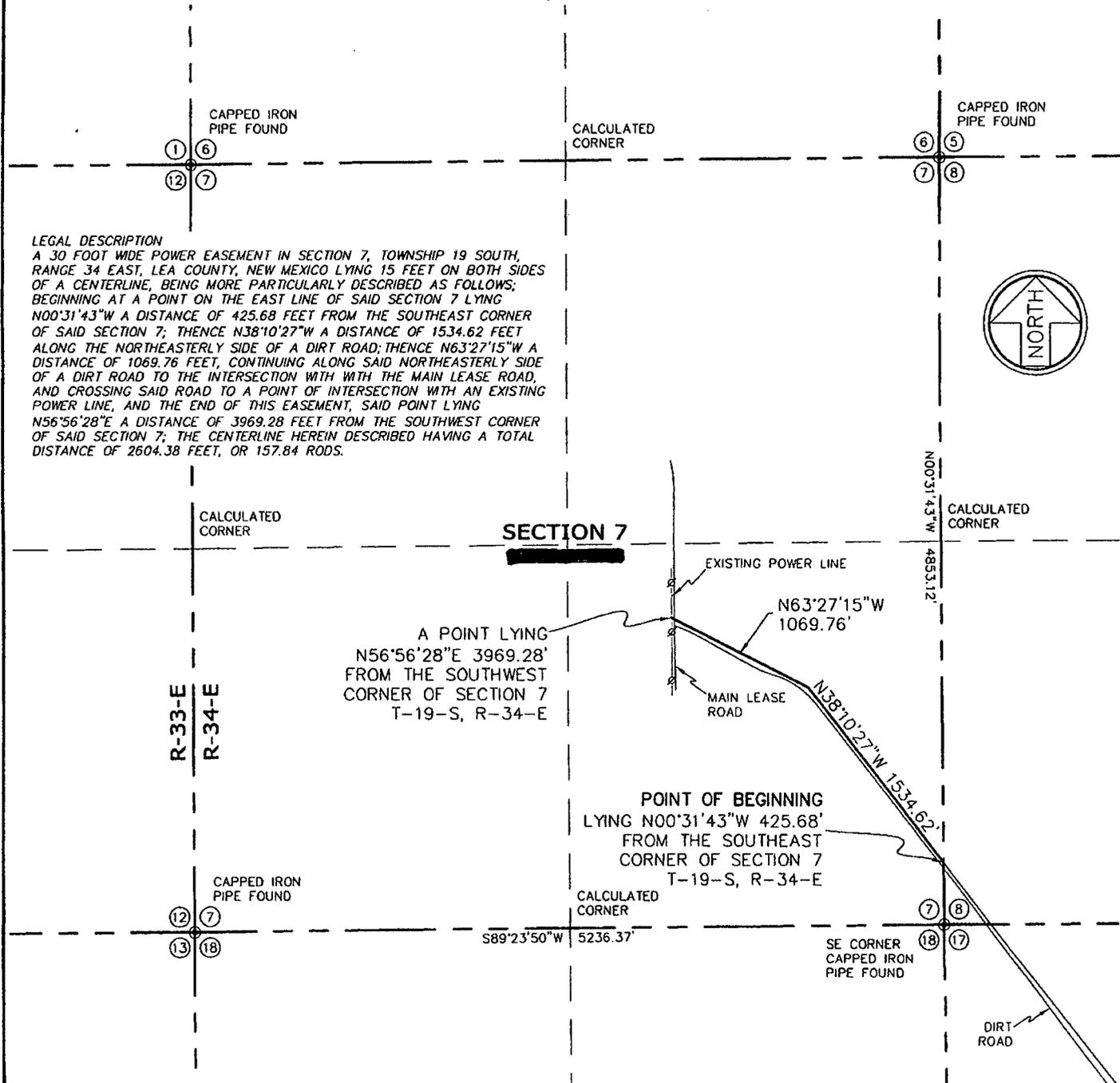
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JOB # 2013-0893 DATE 10/08/13
SCALE 1"=1000' SHEET 3 OF 4

SECTION 7, TOWNSHIP 19 SOUTH, RANGE 34 EAST
LEA COUNTY, NEW MEXICO



LEGAL DESCRIPTION

A 30 FOOT WIDE POWER EASEMENT IN SECTION 7, TOWNSHIP 19 SOUTH, RANGE 34 EAST, LEA COUNTY, NEW MEXICO LYING 15 FEET ON BOTH SIDES OF A CENTERLINE, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 7 LYING N00°31'43"W A DISTANCE OF 425.68 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 7; THENCE N38°10'27"W A DISTANCE OF 1534.62 FEET ALONG THE NORTHEASTERLY SIDE OF A DIRT ROAD; THENCE N63°27'15"W A DISTANCE OF 1069.76 FEET, CONTINUING ALONG SAID NORTHEASTERLY SIDE OF A DIRT ROAD TO THE INTERSECTION WITH WITH THE MAIN LEASE ROAD, AND CROSSING SAID ROAD TO A POINT OF INTERSECTION WITH AN EXISTING POWER LINE, AND THE END OF THIS EASEMENT, SAID POINT LYING N56°56'28"E A DISTANCE OF 3969.28 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 7; THE CENTERLINE HEREIN DESCRIBED HAVING A TOTAL DISTANCE OF 2604.38 FEET, OR 157.84 RODS.

SECTION 7

A POINT LYING N56°56'28"E 3969.28' FROM THE SOUTHWEST CORNER OF SECTION 7 T-19-S, R-34-E

EXISTING POWER LINE

N63°27'15"W 1069.76'

MAIN LEASE ROAD

N38°10'27"W 1534.62'

POINT OF BEGINNING LYING N00°31'43"W 425.68' FROM THE SOUTHEAST CORNER OF SECTION 7 T-19-S, R-34-E

CIMAREX ENERGY CO.

QUAIL RIDGE POWERLINE EASEMENT FROM DEEP UNIT 17-2 TO MAIN LEASE ROAD

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Raymond R. Williams 10-22-13
RAYMOND R. WILLIAMS, PS (NM 20781)

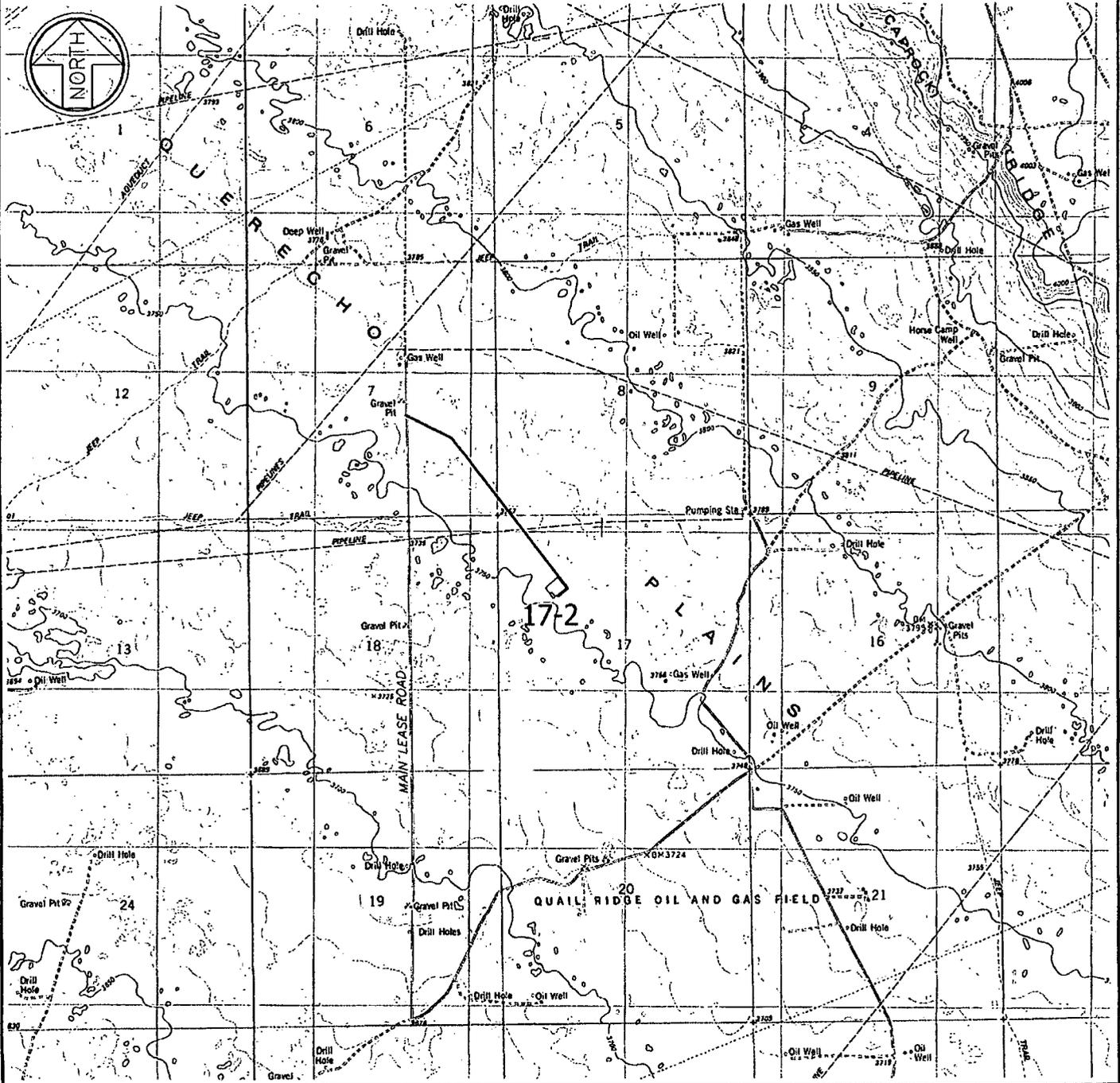


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JOB # 2013-0893 DATE 10/08/13
SCALE 1"=1000' SHEET 4 OF 4

SECTIONS 7, 8 & 17 TOWNSHIP 19 SOUTH, RANGE 34 EAST
LEA COUNTY, NEW MEXICO



CIMAREX ENERGY CO.

QUAIL RIDGE POWERLINE EASEMENT FROM DEEP UNIT 17-2 TO MAIN LEASE ROAD

SITE MAP

USING U.S. DEPARTMENT OF THE INTERIOR
U.S. GEOLOGICAL SURVEY
TIP TOP WELLS QUADRANGLE
NEW MEXICO - LEA COUNTY
7.5 MINUTE SERIES, 1984



CTS SURVEYING & MAPPING
2819 COLLEGE AVENUE
SNYDER, TX 79549
PHONE (325)573-5500
FAX (325)573-5502

JOB # 2013-0893 DATE 10/08/13
SCALE 1"=3000' SHEET 1 OF 4

Company Reference: NMNM 3622

Well No. & Name: Pipeline Deep Unit 17 Fed 2

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.

11. Special Stipulations:

The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction and no further construction will be done until clearance has been issued by the Authorized Officer. Special restoration stipulations or realignment may be required.

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes with native soil.
- To protect visual resources:
 - a. New construction will be contained within existing rights-of ways as much as possible
 - b. Vegetation will not be removed except to locate poles (no blading)
 - c. Large rocks removed while locating poles will be randomly distributed in a natural manner across the landscape and not be piled to attract attention
 - d. Surface disturbance in drainages shall be avoided
 - e. Pole height shall not exceed 40 feet above ground

- Span powerline poles 300' over the sand dunes by the Pipeline Deep Unit #2 well to avoid disturbing the sand dunes. **Contact Bobby Ballard, Wildlife Biologist to ensure proper placement of poles prior to installation at 575-234-5973.**

- Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.