

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.
NMNM86154

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
NMNM134775

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
TRISTE DRAW 25 FEDERAL COM 3H

2. Name of Operator

CIMAREX ENERGY COMPANY OF CO

Contact: TERRI STATHEM

E-Mail: tstatthem@cimarex.com

9. API Well No.

30-025-41150-00-S1

3a. Address

202 S CHEYENNE AVE. SUITE 1000
TULSA, OK 74103

3b. Phone No. (include area code)

Ph: 432.620.1936

10. Field and Pool, or Exploratory
TRISTE DRAW

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 25 T23S R32E SESW 380FSL 1980FWL

HOBBS OGD

MAR 31 2017

11. County or Parish, and State

LEA COUNTY, NM

12. CHECK 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	Off-Lease Measurement
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 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 Energy Co. respectfully requests approval for off-lease measurement and sales of gas production as depicted on the attached exhibits for the Triste Draw 25 Federal Com #3H well.

NO Federal royalties will be reduced nor improper measurement will occur as a result of approval of this request.

Working Interest Owners are being notified concurrently with this submission. List attached.

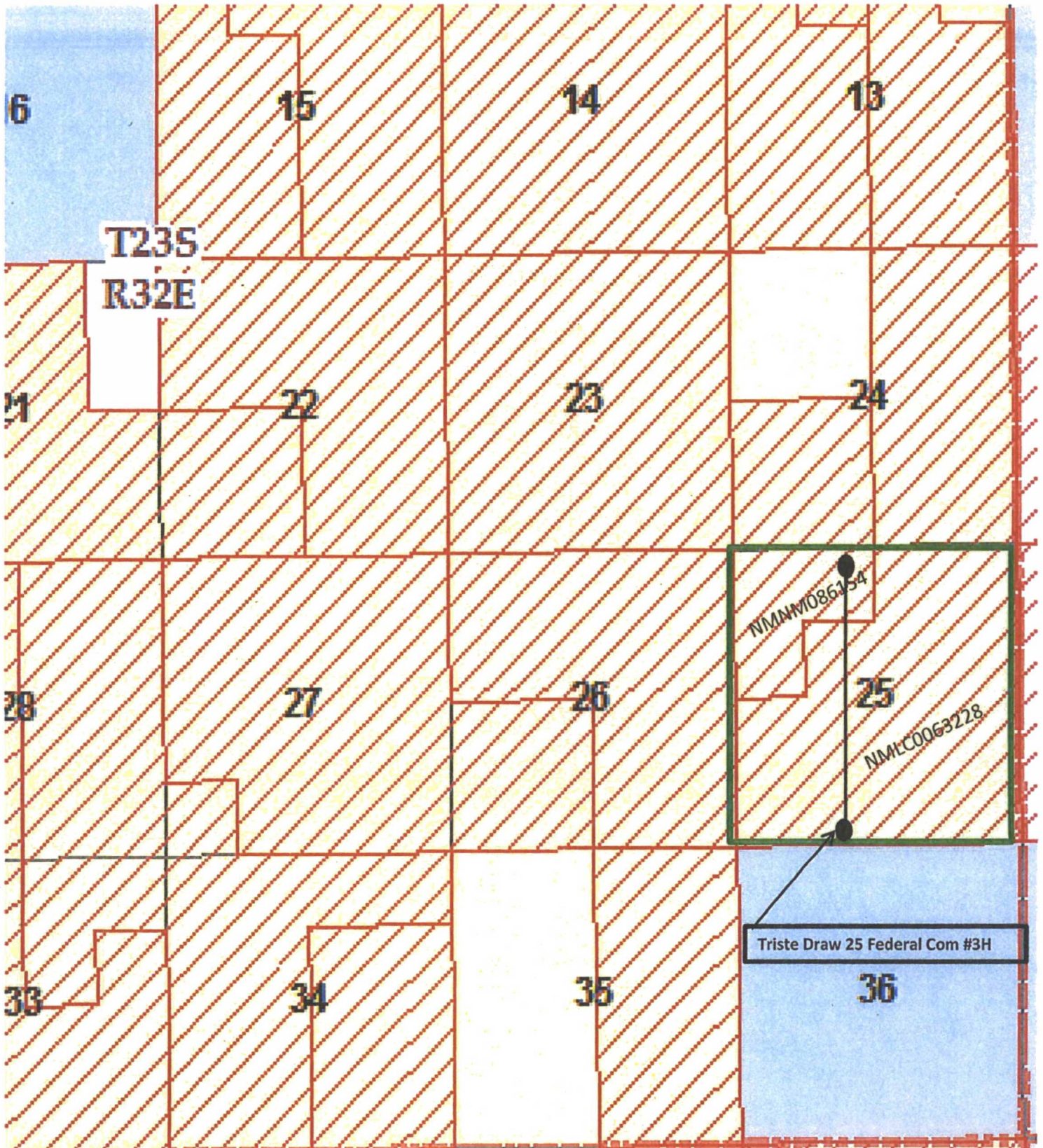
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

STL lease is NM-0063228 & meas Triste Draw 25 Fed 1H Battery.

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #335924 verified by the BLM Well Information System For CIMAREX ENERGY COMPANY OF CO, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 04/19/2016 (16PP0551SE)	
Name (Printed/Typed) TERRI STATHEM	Title COORDINATOR REGULATORY COMPLIA
Signature (Electronic Submission)	Date 04/07/2016
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By _____	Title _____
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 _____
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.	

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

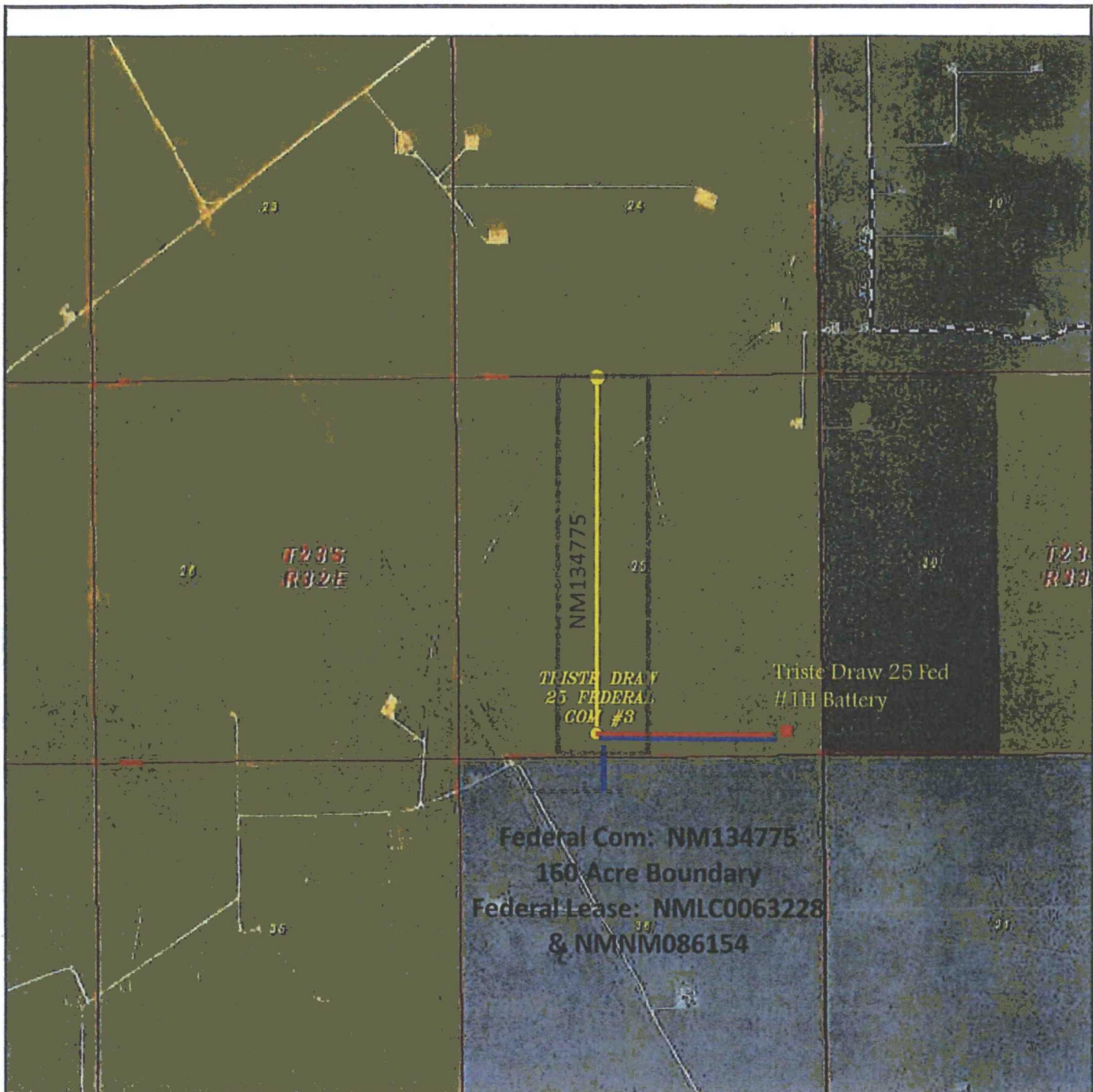
Federal Lease Information
Triste Draw 25 Federal
Sec. 25, 23S, 32E
Lea County, NM



NMNM086154 – 280 total acres – 120 acres Sec. 25

NMLC0063228 – 1600 total acres – 520 acres Sec. 25

Triste Draw 25 Federal Com #3H
 Sec. 25, 23S, 32E
 Lea County, NM



TRISTE DRAW 25 FEDERAL COM #3

Located 330' FSL and 1980' FWL
 Section 25, Township 23 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

- #1H Battery
- Gas Pipeline
- Lease Road



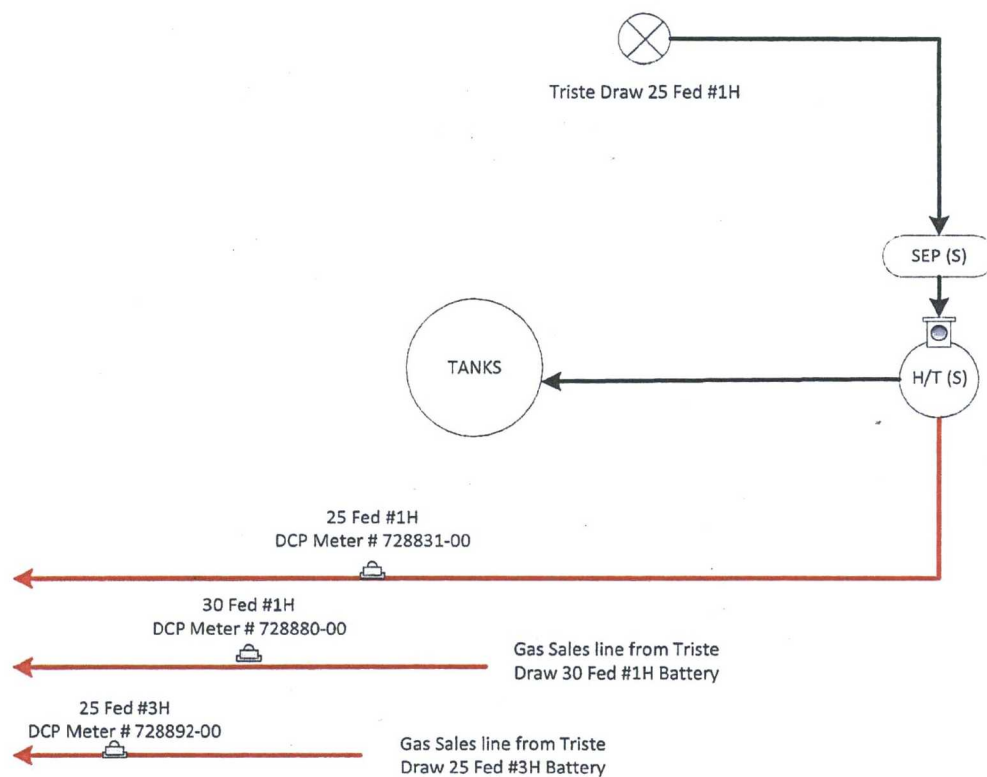
P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

W.O. Number: JG 25893

Scale: 1" = 2000'

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

**CIMAREX
 ENERGY CO.
 OF COLORADO**



ROAD

Triste Draw 25 Federal #1 Battery Overview



**Triste Draw 25 Federal #3H
Gas Pipeline Route
Off Lease Measurement/Sales**





Cimarex Energy Co.

202 S. Cheyenne Ave, Ste 1000; Tulsa, OK 74103 ♦ (432) 620-1936

• A NYSE Listed Company • "XEC"

April 7, 2016

New Mexico Oil Conservation Division
1220 South Francis Drive
Santa Fe, NM 87505

Attn: Mr. Michael McMillian

Re: Off Lease Measurement
Triste Draw 25 Federal Com 3H API: 30025-41150
Lea County, NM

Dear Mr. McMillian:

Cimarex Energy Co. respectfully requests administrative approval of off lease measurement for its Triste Draw 25 Federal Com #3H well. No surface commingling of gas production is requested.

Three gas sales meter were installed at the Triste Draw 25 Federal #1H battery, one off lease gas sales meter to accommodate the Triste Draw Federal Com #3H well, one off lease gas sales meter to accommodate the Triste Draw 30 Federal #1 battery wells, and one on lease gas sales meter to accommodate the Triste Draw 25 Federal #1H battery wells. In order to minimize surface damage while leaving surface area available for future development the gas meters were installed at a central location by DCP.

Working interest owners and the BLM have been notified of the request to measure off lease by copy of the application.

Thank you for your consideration of the enclosed application. Should you have any questions please contact me at 432-620-1936.

Thank you,



Terri Stathem

Manager Regulatory Compliance

DATE IN	SUSPENSF	ENGINEER	LOGGED IN	TYPE	APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
 WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Cimarex Energy Co. - 215099
 Well: Triste Draw 25 Federal Com #311
 30025-41150
 Pool: Triste Draw; Bone Spring

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Terri Stathem

Regulatory

4-6-16

Print or Type Name

Signature

Title

Date

tstathem@cimarex.com

e-mail Address

District I
1625 N. French Drive, 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

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Cimarex Energy Co.
OPERATOR ADDRESS: 202 S. Cheyenne Ave, Ste 1000, Tulsa, OK 74103
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:  TITLE: Manager Regulatory Compliance DATE: 4-6-16

TYPE OR PRINT NAME Terr Stathem TELEPHONE NO.: 432-620-1936

E-MAIL ADDRESS: tstathem@cimarex.com

MAY 02 2014

Form C-102
Revised August 1, 2011DISTRICT I
1525 N. French Dr., Hobbs, NM 88240
Phone (505) 393-5151 Fax: (505) 393-0720DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 745-1263 Fax: (505) 745-0720DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-5178 Fax: (505) 334-5170DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 470-3460 Fax: (505) 470-3462State of New Mexico
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-41150	Pool Code 96603	Pool Name Triste Draw ; Bone Spring
Property Code 39851	Property Name TRISTE DRAW 25 FEDERAL Com	Well Number 3R H
OGRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3688

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	23 S	32 E		380	SOUTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	25	23 S	32 E		680	NORTH	1944	WEST	LEA
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No. 770						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N: 467383.8 E: 756571.3 NAD 83	1944'	B.H.	N: 467409.7 E: 759215.2 NAD 83	N: 467436.2 E: 761859.8 NAD 83	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Aricka Easterling</i> 4/28/14 Signature Date Printed Name aeasterling@cimarex.com Email Address	
N: 464739.7 E: 750590.1 NAD 83			NM LC0063228			SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. NOVEMBER 04, 2013 Date Surveyed Signature & Seal of Professional Surveyor 7977 Certificate No. 7977 BASIN SURVEYORS SCALE: 1" = 1000' WD Num.: 29714
N: 462098.2 E: 756609.1 NAD 83	1980'	S.L.	N: 462125.2 E: 759256.8 NAD 83	N: 462154.8 E: 761902.5 NAD 83		

MAY 19 2014

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Cimarex Energy Company of C o.
Triste Draw 25 Federal Com 3H
30-025-41150
NMNM-86154
CA – NMNM-134775**

Off-Lease Measurement and Sales Conditions of Approval

Approval of off-lease measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented/flared without proper measurement and prior approval. Any gas vented must be flared.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments and/or product accountability.
4. This approval is subject to like approval by the New Mexico Oil Conservation Division.
5. Additional wells and/or leases require additional approvals.
6. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
7. Approval for off-lease from various sources is a privilege which is granted to lessees/operators for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
8. Production measurement must comply with all Federal Regulations, API, and AGA standards.