PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**Cimarex Energy Co**
LEASE NO.:	**NM0559539**
WELL NAME & NO.:	**37H – James 19 Federal**
SURFACE HOLE FOOTAGE:	**330'/N & 2450'/E**
BOTTOM HOLE FOOTAGE	**330'/S & 2060'/E**
LOCATION:	**Sec. 19, T. 23 S, R. 32 E**
COUNTY:	**Lea County, New Mexico**

HOBBS OCD
SEP 12 2018
RECEIVED

COA

H2S	◉ Yes	○ No	
Potash	◉ None	○ Secretary	○ R-111-P
Cave/Karst Potential	◉ Low	○ Medium	○ High
Variance	○ None	◉ Flex Hose	○ Other
Wellhead	○ Conventional	◉ Multibowl	○ Both
Other	☐ 4 String Area	☐ Capitan Reef	☐ WIPP

A. Hydrogen Sulfide

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delaware** formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **1135** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.

   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.

Operator shall filled 1/3rd casing with fluid while running intermediate casing to maintain

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.

3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
   - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.**Additional cement maybe required. Excess calculates to 14%.**

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 **2000 (2M)** psi.

3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** intermediate 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)

☒ Chaves and Roosevelt Counties
Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.
After office hours call (575)

☒ Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

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 (one log per well pad is acceptable) 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 intergrity 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 intergrity 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.

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PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL

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COUNTY:	Lea County, New Mexico

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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.

Approval Date: 07/06/2018

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)

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, 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 feet 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.

Timing Limitation Exceptions:
The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

Watershed

- 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.
- Automatic shut off, check values, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

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.

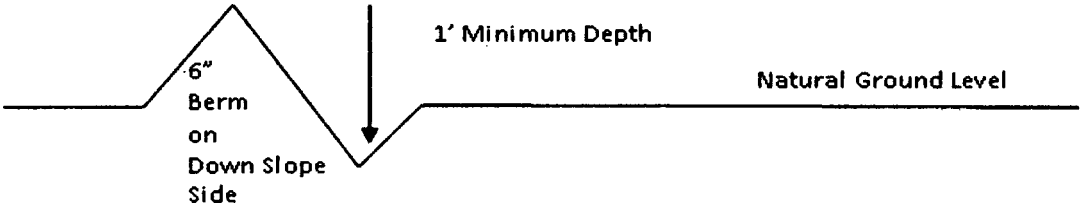
Turnouts
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping 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 foot road with 4% road slope: $\frac{400'}{4\%} + 100' = 200'$ 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

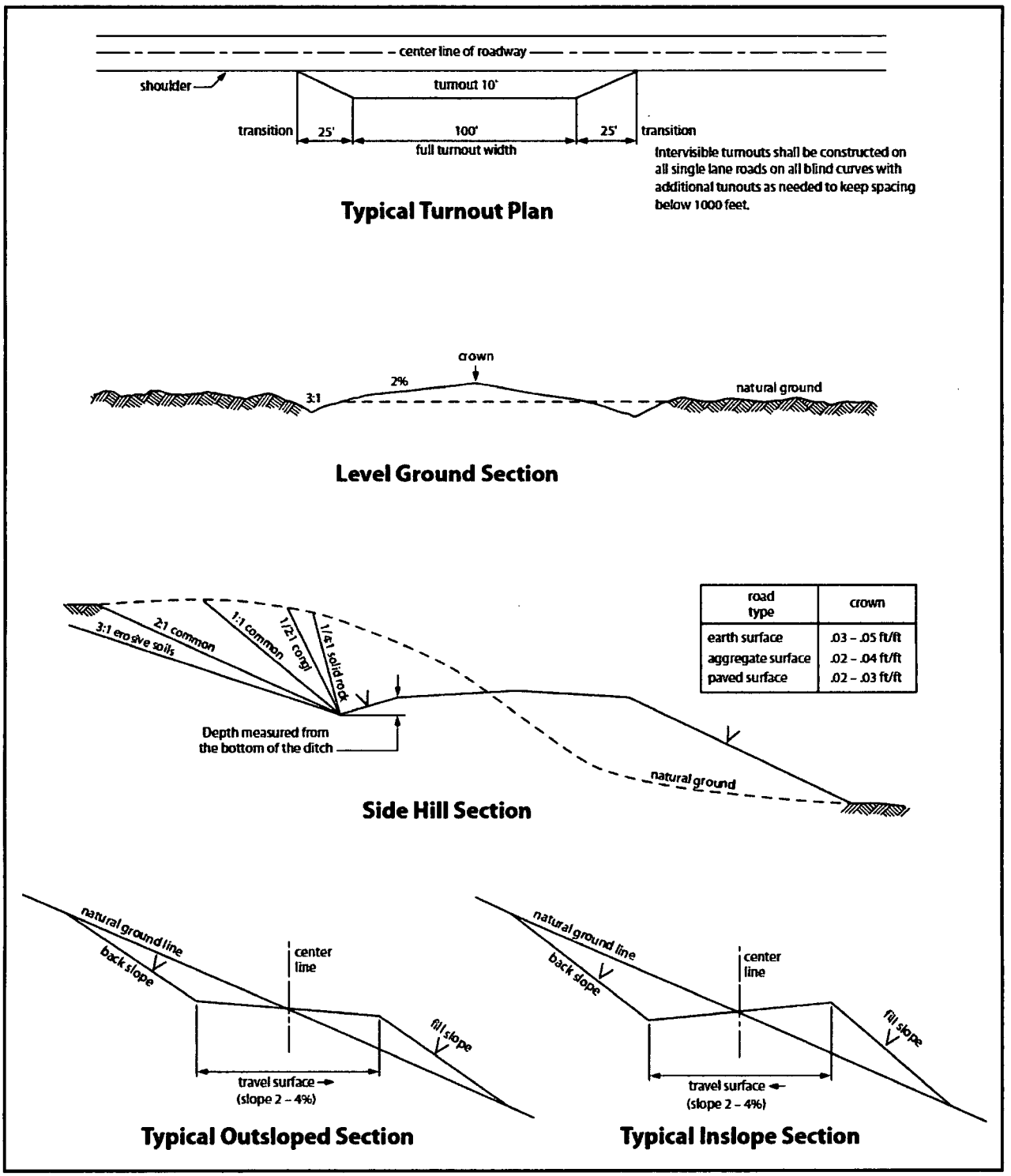


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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

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.

( ) seed mixture 1 ( ) seed mixture 3

( ) seed mixture 2 ( ) seed mixture 4

(**X**) seed mixture 2/LPC ( ) 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.

19. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities 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. 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.

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 of duney 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.

18. Special Stipulations:

a. **Lesser Prairie-Chicken:** Oil and gas activities 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 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. Normal vehicle use on existing roads will not be restricted.

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.

11. Special Stipulations:
- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

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.

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).

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.

Seed Mixture for LPC Sand/Shinnery 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 will be tested and the viability testing of seed shall 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 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). 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. 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:

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

*Pounds of pure live seed:

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

Hydrogen Sulfide Drilling Operations Plan
James 19 Federal Com 37H
Cimarex Energy Co.
UL: B, Sec. 19, 23S, 32E
Lea 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 H_2S
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.

H_2S 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 (H_2S 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 H_2S 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.

H_2S Contingency Plan
James 19 Federal Com 37H
Cimarex Energy Co.
UL: B, Sec. 19, 23S, 32E
Lea Co., NM

Emergency Procedures

In the event of a release of gas containing H_2S, 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 H_2S 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 H_2S, 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 (SO_2). Intentional ignition must be coordinated with the NMOCD 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 H_2S and SO_2

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).

H_2S Contingency Plan Emergency Contacts

James 19 Federal Com 37H

Cimarex Energy Co.

UL: B, Sec. 19, 23S, 32E

Lea 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		

Schlumberger

Cimarex James 19 Federal 37H Rev2 RM 13Nov17 Proposal Geodetic Report

(Def Plan)

CIMAREX

Report Date:	November 14, 2017 - 11:30 AM	**Survey / DLS Computation:**	Minimum Curvature / Lubinski
Client:	Cimarex	**Vertical Section Azimuth:**	180.000 ° (Grid North)
Field:	NM Lea County (NAD 83)	**Vertical Section Origin:**	0.000 ft, 0.000 ft
Structure / Slot:	Cimarex James 19 Federal 37H / Cimarex James 19 Federal 37H	**TVD Reference Datum:**	RKB
Well:	Cimarex James 19 Federal 37H	**TVD Reference Elevation:**	3662.800 ft above MSL
Borehole:	Original Borehole	**Seabed / Ground Elevation:**	3638.800 ft above MSL
UWI / API#:	Unknown / Unknown	**Magnetic Declination:**	6.935 °
Survey Name:	Cimarex James 19 Federal 37H Rev2 RM 13Nov17	**Total Gravity Field Strength:**	998.4381mgn (9.80665 Based)
Survey Date:	October 11, 2017	**Gravity Model:**	GARM
Tort / AHD / DDI / ERD Ratio:	102.319 ° / 4933.986 ft / 5.868 / 0.528	**Total Magnetic Field Strength:**	48137.433 nT
Coordinate Reference System:	NAD83 New Mexico State Plane, Eastern Zone, US Feet	**Magnetic Dip Angle:**	60.071 °
Location Lat / Long:	N 32° 17' 46.77662", W 103° 42' 47.28984"	**Declination Date:**	November 13, 2017
Location Grid N/E Y/X:	N 472090.470 ftUS, E 732971.980 ftUS	**Magnetic Declination Model:**	HDGM 2017
CRS Grid Convergence Angle:	0.3314 °	**North Reference:**	Grid North
Grid Scale Factor:	0.99995115	**Grid Convergence Used:**	0.3314 °
Version / Patch:	2.10.565.0	**Total Corr Mag North->Grid North:**	6.6039 °
		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 [330' FNL, 2450' FEL]	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	100.00	0.00	105.00	100.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	200.00	0.00	105.00	200.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	300.00	0.00	105.00	300.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	400.00	0.00	105.00	400.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	500.00	0.00	105.00	500.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	600.00	0.00	105.00	600.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	700.00	0.00	105.00	700.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	800.00	0.00	105.00	800.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	900.00	0.00	105.00	900.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1000.00	0.00	105.00	1000.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1100.00	0.00	105.00	1100.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
Rustler	*1160.00*	*0.00*	*105.00*	*1160.00*	*0.00*	*0.00*	*0.00*	*0.00*	*472090.47*	*732971.98*	*N 32 17 46.78*	*W 103 42 47.29*
	1200.00	0.00	105.00	1200.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1300.00	0.00	105.00	1300.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1400.00	0.00	105.00	1400.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1500.00	0.00	105.00	1500.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1600.00	0.00	105.00	1600.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1700.00	0.00	105.00	1700.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1800.00	0.00	105.00	1800.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	1900.00	0.00	105.00	1900.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
Nudge 2°/100' DLS	2000.00	0.00	105.00	2000.00	0.00	0.00	0.00	0.00	472090.47	732971.98	N 32 17 46.78	W 103 42 47.29
	2100.00	2.00	105.00	2099.98	0.45	-0.45	1.69	2.00	472090.02	732973.67	N 32 17 46.77	W 103 42 47.27
	2200.00	4.00	105.00	2199.84	1.81	-1.81	6.74	2.00	472088.66	732978.72	N 32 17 46.76	W 103 42 47.21
Top of Salt	*2260.36*	*5.21*	*105.00*	*2260.00*	*3.06*	*-3.06*	*11.42*	*2.00*	*472087.41*	*732983.40*	*N 32 17 46.75*	*W 103 42 47.16*
	2300.00	6.00	105.00	2299.45	4.06	-4.06	15.16	2.00	472086.41	732987.14	N 32 17 46.74	W 103 42 47.11
Hold Nudge	2307.99	6.16	105.00	2307.39	4.28	-4.28	15.98	2.00	472086.19	732987.95	N 32 17 46.73	W 103 42 47.10

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 ° ' ")
	2400.00	6.16	105.00	2398.88	6.84	-6.84	25.51	0.00	472083.63	732997.49	N 32 17 46.71	W 103 42 46.99
	2500.00	6.16	105.00	2498.30	9.61	-9.61	35.88	0.00	472080.86	733007.86	N 32 17 46.68	W 103 42 46.87
	2600.00	6.16	105.00	2597.72	12.39	-12.39	46.24	0.00	472078.08	733018.22	N 32 17 46.65	W 103 42 46.75
	2700.00	6.16	105.00	2697.14	15.17	-15.17	56.61	0.00	472075.30	733028.58	N 32 17 46.62	W 103 42 46.63
	2800.00	6.16	105.00	2796.57	17.94	-17.94	66.97	0.00	472072.53	733038.95	N 32 17 46.60	W 103 42 46.51
	2900.00	6.16	105.00	2895.99	20.72	-20.72	77.33	0.00	472069.75	733049.31	N 32 17 46.57	W 103 42 46.39
	3000.00	6.16	105.00	2995.41	23.50	-23.50	87.70	0.00	472066.97	733059.67	N 32 17 46.54	W 103 42 46.27
	3100.00	6.16	105.00	3094.83	26.28	-26.28	98.06	0.00	472064.20	733070.04	N 32 17 46.51	W 103 42 46.15
	3200.00	6.16	105.00	3194.26	29.05	-29.05	108.43	0.00	472061.42	733080.40	N 32 17 46.48	W 103 42 46.03
Castille	*3266.12*	*6.16*	*105.00*	*3260.00*	*30.89*	*-30.89*	*115.28*	*0.00*	*472059.58*	*733087.26*	*N 32 17 46.46*	*W 103 42 45.95*
	3300.00	6.16	105.00	3293.68	31.83	-31.83	118.79	0.00	472058.64	733090.77	N 32 17 46.45	W 103 42 45.91
	3400.00	6.16	105.00	3393.10	34.61	-34.61	129.16	0.00	472055.86	733101.13	N 32 17 46.43	W 103 42 45.79
	3500.00	6.16	105.00	3492.53	37.38	-37.38	139.52	0.00	472053.09	733111.49	N 32 17 46.40	W 103 42 45.67
	3600.00	6.16	105.00	3591.95	40.16	-40.16	149.89	0.00	472050.31	733121.86	N 32 17 46.37	W 103 42 45.55
	3700.00	6.16	105.00	3691.37	42.94	-42.94	160.25	0.00	472047.53	733132.22	N 32 17 46.34	W 103 42 45.43
	3800.00	6.16	105.00	3790.79	45.72	-45.72	170.61	0.00	472044.76	733142.59	N 32 17 46.31	W 103 42 45.31
	3900.00	6.16	105.00	3890.22	48.49	-48.49	180.98	0.00	472041.98	733152.95	N 32 17 46.29	W 103 42 45.18
	4000.00	6.16	105.00	3989.64	51.27	-51.27	191.34	0.00	472039.20	733163.31	N 32 17 46.26	W 103 42 45.06
	4100.00	6.16	105.00	4089.06	54.05	-54.05	201.71	0.00	472036.43	733173.68	N 32 17 46.23	W 103 42 44.94
	4200.00	6.16	105.00	4188.48	56.82	-56.82	212.07	0.00	472033.65	733184.04	N 32 17 46.20	W 103 42 44.82
	4300.00	6.16	105.00	4287.91	59.60	-59.60	222.44	0.00	472030.87	733194.40	N 32 17 46.17	W 103 42 44.70
	4400.00	6.16	105.00	4387.33	62.38	-62.38	232.80	0.00	472028.09	733204.77	N 32 17 46.15	W 103 42 44.58
	4500.00	6.16	105.00	4486.75	65.16	-65.16	243.16	0.00	472025.32	733215.13	N 32 17 46.12	W 103 42 44.46
Base of Salt	*4523.38*	*6.16*	*105.00*	*4510.00*	*65.81*	*-65.81*	*245.59*	*0.00*	*472024.67*	*733217.56*	*N 32 17 46.11*	*W 103 42 44.43*
	4600.00	6.16	105.00	4586.17	67.93	-67.93	253.53	0.00	472022.54	733225.50	N 32 17 46.09	W 103 42 44.34
	4700.00	6.16	105.00	4685.60	70.71	-70.71	263.89	0.00	472019.76	733235.86	N 32 17 46.06	W 103 42 44.22
Delaware Sands	*4734.60*	*6.16*	*105.00*	*4720.00*	*71.67*	*-71.67*	*267.48*	*0.00*	*472018.80*	*733239.45*	*N 32 17 46.05*	*W 103 42 44.18*
	4800.00	6.16	105.00	4785.02	73.49	-73.49	274.26	0.00	472016.99	733246.22	N 32 17 46.03	W 103 42 44.10
	4900.00	6.16	105.00	4884.44	76.26	-76.26	284.62	0.00	472014.21	733256.59	N 32 17 46.01	W 103 42 43.98
	5000.00	6.16	105.00	4983.87	79.04	-79.04	294.99	0.00	472011.43	733266.95	N 32 17 45.98	W 103 42 43.86
	5100.00	6.16	105.00	5083.29	81.82	-81.82	305.35	0.00	472008.66	733277.32	N 32 17 45.95	W 103 42 43.74
	5200.00	6.16	105.00	5182.71	84.60	-84.60	315.72	0.00	472005.88	733287.68	N 32 17 45.92	W 103 42 43.62
	5300.00	6.16	105.00	5282.13	87.37	-87.37	326.08	0.00	472003.10	733298.04	N 32 17 45.89	W 103 42 43.50
	5400.00	6.16	105.00	5381.56	90.15	-90.15	336.44	0.00	472000.32	733308.41	N 32 17 45.87	W 103 42 43.38
	5500.00	6.16	105.00	5480.98	92.93	-92.93	346.81	0.00	471997.55	733318.77	N 32 17 45.84	W 103 42 43.26
	5600.00	6.16	105.00	5580.40	95.70	-95.70	357.17	0.00	471994.77	733329.13	N 32 17 45.81	W 103 42 43.14
	5700.00	6.16	105.00	5679.82	98.48	-98.48	367.54	0.00	471991.99	733339.50	N 32 17 45.78	W 103 42 43.01
	5800.00	6.16	105.00	5779.25	101.26	-101.26	377.90	0.00	471989.22	733349.86	N 32 17 45.75	W 103 42 42.89
	5900.00	6.16	105.00	5878.67	104.04	-104.04	388.27	0.00	471986.44	733360.23	N 32 17 45.72	W 103 42 42.77
	6000.00	6.16	105.00	5978.09	106.81	-106.81	398.63	0.00	471983.66	733370.59	N 32 17 45.70	W 103 42 42.65
Drop to Vertical	6022.04	6.16	105.00	6000.00	107.42	-107.42	400.91	0.00	471983.05	733372.87	N 32 17 45.69	W 103 42 42.63
	6100.00	4.60	105.00	6077.62	109.32	-109.32	407.98	2.00	471981.16	733379.93	N 32 17 45.67	W 103 42 42.54
	6200.00	2.60	105.00	6177.42	110.94	-110.94	414.04	2.00	471979.53	733386.00	N 32 17 45.66	W 103 42 42.47
	6300.00	0.60	105.00	6277.37	111.66	-111.66	416.74	2.00	471978.81	733388.70	N 32 17 45.65	W 103 42 42.44
Hold	6330.02	0.00	105.00	6307.39	111.71	-111.71	416.89	2.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	6400.00	0.00	105.00	6377.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	6500.00	0.00	105.00	6477.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	6600.00	0.00	105.00	6577.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	6700.00	0.00	105.00	6677.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	6800.00	0.00	105.00	6777.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	6900.00	0.00	105.00	6877.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7000.00	0.00	105.00	6977.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7100.00	0.00	105.00	7077.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7200.00	0.00	105.00	7177.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7300.00	0.00	105.00	7277.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7400.00	0.00	105.00	7377.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7500.00	0.00	105.00	7477.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7600.00	0.00	105.00	7577.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44

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 ° ' ")
	7700.00	0.00	105.00	7677.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7800.00	0.00	105.00	7777.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	7900.00	0.00	105.00	7877.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8000.00	0.00	105.00	7977.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8100.00	0.00	105.00	8077.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8200.00	0.00	105.00	8177.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8300.00	0.00	105.00	8277.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8400.00	0.00	105.00	8377.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8500.00	0.00	105.00	8477.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
Bone Spring	*8522.63*	*0.00*	*105.00*	*8500.00*	*111.71*	*-111.71*	*416.89*	*0.00*	*471978.77*	*733388.85*	*N 32 17 45.65*	*W 103 42 42.44*
	8600.00	0.00	105.00	8577.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8700.00	0.00	105.00	8677.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8800.00	0.00	105.00	8777.37	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
Build 12°/100' DLS	8890.16	0.00	105.00	8867.54	111.71	-111.71	416.89	0.00	471978.77	733388.85	N 32 17 45.65	W 103 42 42.44
	8900.00	1.18	180.00	8877.37	111.81	-111.81	416.89	12.00	471978.67	733388.85	N 32 17 45.65	W 103 42 42.44
	9000.00	13.18	180.00	8976.41	124.28	-124.28	416.89	12.00	471966.19	733388.85	N 32 17 45.52	W 103 42 42.44
Avalon Shale	*9077.39*	*22.47*	*180.00*	*9050.00*	*147.95*	*-147.95*	*416.89*	*12.00*	*471942.53*	*733388.85*	*N 32 17 45.29*	*W 103 42 42.44*
	9100.00	25.18	180.00	9070.68	157.08	-157.08	416.89	12.00	471933.40	733388.85	N 32 17 45.20	W 103 42 42.44
	9200.00	37.18	180.00	9156.08	208.76	-208.76	416.89	12.00	471881.72	733388.85	N 32 17 44.69	W 103 42 42.45
	9300.00	49.18	180.00	9228.87	277.06	-277.06	416.89	12.00	471813.42	733388.85	N 32 17 44.01	W 103 42 42.45
	9400.00	61.18	180.00	9285.86	359.01	-359.01	416.89	12.00	471731.48	733388.85	N 32 17 43.20	W 103 42 42.46
	9500.00	73.18	180.00	9324.57	451.01	-451.01	416.89	12.00	471639.48	733388.85	N 32 17 42.29	W 103 42 42.46
	9600.00	85.18	180.00	9343.31	549.05	-549.05	416.89	12.00	471541.44	733388.85	N 32 17 41.32	W 103 42 42.47
Landing Point	9640.16	90.00	180.00	9345.00	589.17	-589.17	416.89	12.00	471501.33	733388.85	N 32 17 40.92	W 103 42 42.47
	9700.00	90.00	180.00	9345.00	649.01	-649.01	416.89	0.00	471441.50	733388.85	N 32 17 40.33	W 103 42 42.48
	9800.00	90.00	180.00	9345.00	749.01	-749.01	416.89	0.00	471341.50	733388.85	N 32 17 39.34	W 103 42 42.48
	9900.00	90.00	180.00	9345.00	849.01	-849.01	416.89	0.00	471241.51	733388.85	N 32 17 38.35	W 103 42 42.49
	10000.00	90.00	180.00	9345.00	949.01	-949.01	416.89	0.00	471141.51	733388.85	N 32 17 37.36	W 103 42 42.50
	10100.00	90.00	180.00	9345.00	1049.01	-1049.01	416.89	0.00	471041.52	733388.85	N 32 17 36.37	W 103 42 42.50
	10200.00	90.00	180.00	9345.00	1149.01	-1149.01	416.89	0.00	470941.52	733388.85	N 32 17 35.38	W 103 42 42.51
	10300.00	90.00	180.00	9345.00	1249.01	-1249.01	416.89	0.00	470841.53	733388.85	N 32 17 34.39	W 103 42 42.52
	10400.00	90.00	180.00	9345.00	1349.01	-1349.01	416.89	0.00	470741.53	733388.85	N 32 17 33.40	W 103 42 42.52
	10500.00	90.00	180.00	9345.00	1449.01	-1449.01	416.89	0.00	470641.54	733388.85	N 32 17 32.42	W 103 42 42.53
	10600.00	90.00	180.00	9345.00	1549.01	-1549.01	416.89	0.00	470541.54	733388.85	N 32 17 31.43	W 103 42 42.54
	10700.00	90.00	180.00	9345.00	1649.01	-1649.01	416.89	0.00	470441.55	733388.85	N 32 17 30.44	W 103 42 42.54
	10800.00	90.00	180.00	9345.00	1749.01	-1749.01	416.89	0.00	470341.55	733388.85	N 32 17 29.45	W 103 42 42.55
	10900.00	90.00	180.00	9345.00	1849.01	-1849.01	416.89	0.00	470241.56	733388.85	N 32 17 28.46	W 103 42 42.56
	11000.00	90.00	180.00	9345.00	1949.01	-1949.01	416.89	0.00	470141.56	733388.85	N 32 17 27.47	W 103 42 42.56
	11100.00	90.00	180.00	9345.00	2049.01	-2049.01	416.89	0.00	470041.57	733388.85	N 32 17 26.48	W 103 42 42.57
	11200.00	90.00	180.00	9345.00	2149.01	-2149.01	416.89	0.00	469941.57	733388.85	N 32 17 25.49	W 103 42 42.58
	11300.00	90.00	180.00	9345.00	2249.01	-2249.01	416.89	0.00	469841.58	733388.85	N 32 17 24.50	W 103 42 42.59
	11400.00	90.00	180.00	9345.00	2349.01	-2349.01	416.89	0.00	469741.58	733388.85	N 32 17 23.51	W 103 42 42.59
	11500.00	90.00	180.00	9345.00	2449.01	-2449.01	416.89	0.00	469641.59	733388.85	N 32 17 22.52	W 103 42 42.60
	11600.00	90.00	180.00	9345.00	2549.01	-2549.01	416.89	0.00	469541.59	733388.85	N 32 17 21.53	W 103 42 42.61
	11700.00	90.00	180.00	9345.00	2649.01	-2649.01	416.89	0.00	469441.60	733388.85	N 32 17 20.54	W 103 42 42.61
	11800.00	90.00	180.00	9345.00	2749.01	-2749.01	416.89	0.00	469341.60	733388.85	N 32 17 19.55	W 103 42 42.62
	11900.00	90.00	180.00	9345.00	2849.01	-2849.01	416.89	0.00	469241.61	733388.85	N 32 17 18.56	W 103 42 42.63
	12000.00	90.00	180.00	9345.00	2949.01	-2949.01	416.89	0.00	469141.61	733388.85	N 32 17 17.57	W 103 42 42.63
	12100.00	90.00	180.00	9345.00	3049.01	-3049.01	416.89	0.00	469041.62	733388.85	N 32 17 16.58	W 103 42 42.64
	12200.00	90.00	180.00	9345.00	3149.01	-3149.01	416.89	0.00	468941.62	733388.85	N 32 17 15.59	W 103 42 42.65
	12300.00	90.00	180.00	9345.00	3249.01	-3249.01	416.89	0.00	468841.63	733388.85	N 32 17 14.60	W 103 42 42.65
	12400.00	90.00	180.00	9345.00	3349.01	-3349.01	416.89	0.00	468741.63	733388.85	N 32 17 13.61	W 103 42 42.66
	12500.00	90.00	180.00	9345.00	3449.01	-3449.01	416.89	0.00	468641.64	733388.85	N 32 17 12.63	W 103 42 42.67
	12600.00	90.00	180.00	9345.00	3549.01	-3549.01	416.89	0.00	468541.64	733388.85	N 32 17 11.64	W 103 42 42.67
	12700.00	90.00	180.00	9345.00	3649.01	-3649.01	416.89	0.00	468441.65	733388.85	N 32 17 10.65	W 103 42 42.68
	12800.00	90.00	180.00	9345.00	3749.01	-3749.01	416.89	0.00	468341.65	733388.85	N 32 17 9.66	W 103 42 42.69
	12900.00	90.00	180.00	9345.00	3849.01	-3849.01	416.89	0.00	468241.66	733388.85	N 32 17 8.67	W 103 42 42.69
	13000.00	90.00	180.00	9345.00	3949.01	-3949.01	416.89	0.00	468141.66	733388.85	N 32 17 7.68	W 103 42 42.70

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 ° ' ")
	13100.00	90.00	180.00	9345.00	4049.01	-4049.01	416.89	0.00	468041.67	733388.85	N 32 17 6.69	W 103 42 42.71
	13200.00	90.00	180.00	9345.00	4149.01	-4149.01	416.89	0.00	467941.67	733388.85	N 32 17 5.70	W 103 42 42.71
	13300.00	90.00	180.00	9345.00	4249.01	-4249.01	416.89	0.00	467841.68	733388.85	N 32 17 4.71	W 103 42 42.72
	13400.00	90.00	180.00	9345.00	4349.01	-4349.01	416.89	0.00	467741.68	733388.85	N 32 17 3.72	W 103 42 42.73
	13500.00	90.00	180.00	9345.00	4449.01	-4449.01	416.89	0.00	467641.69	733388.85	N 32 17 2.73	W 103 42 42.73
	13600.00	90.00	180.00	9345.00	4549.01	-4549.01	416.89	0.00	467541.69	733388.85	N 32 17 1.74	W 103 42 42.74
Cimarex James 19 Federal 37H - PBHL [330' FSL, 2060' FEL]	13665.09	90.00	180.00	9345.00	4614.09	-4614.09	416.89	0.00	467476.61	733388.85	N 32 17 1.10	W 103 42 42.74

Survey Type: Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma

Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Expected Max Inclination (deg)	Survey Tool Type	Borehole / Survey
	1	0.000	24.000	1/100.000	30.000	30.000		NAL_MWD_PLUS_0.5_DEG-Depth Only	Original Borehole / Cimarex James 19 Federal 37H Rev2 RM 13Nov17
	1	24.000	13665.088	1/100.000	30.000	30.000		NAL_MWD_PLUS_0.5_DEG	Original Borehole / Cimarex James 19 Federal 37H Rev2 RM

Schlumberger Cimarex Rev 2 CIMAREX

Borehole:	Well:	Field:	Structure:
Original Borehole	Cimarex James 19 Federal 37H	NM Lea County (NAD 83)	Cimarex James 19 Federal 37H

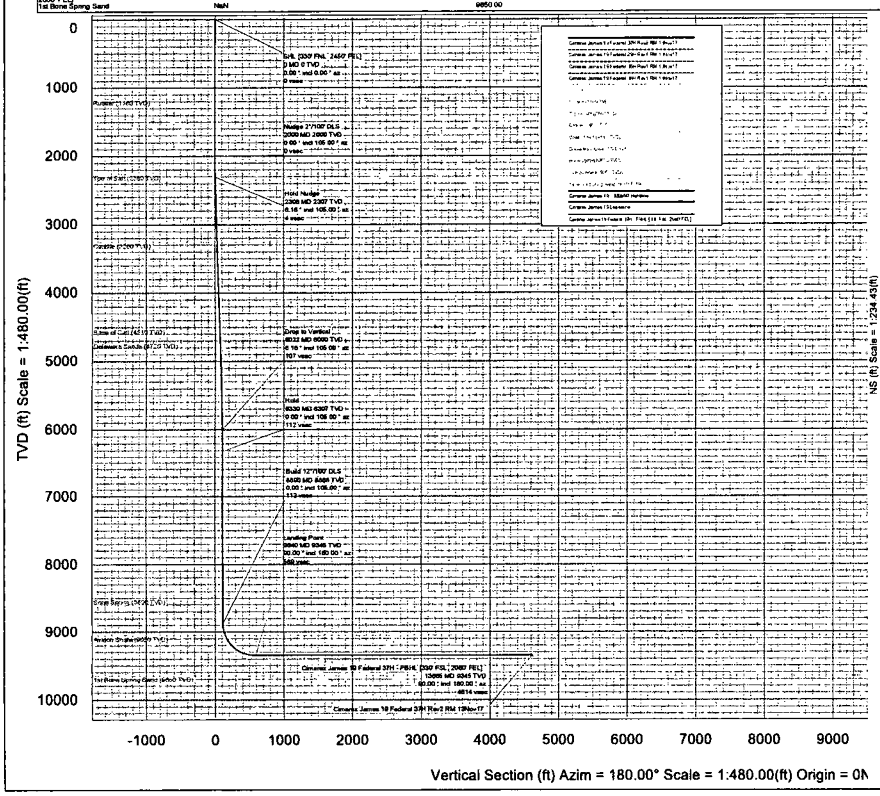
Gravity & Magnetic Parameters — Model: HDGM 2017; Dip: 60.071°; Date: 13-Nov-2017; MagDec: 6.935°; FS: 48137.433nT; Gravity FS: 998.438mgn (9.80665 Based)

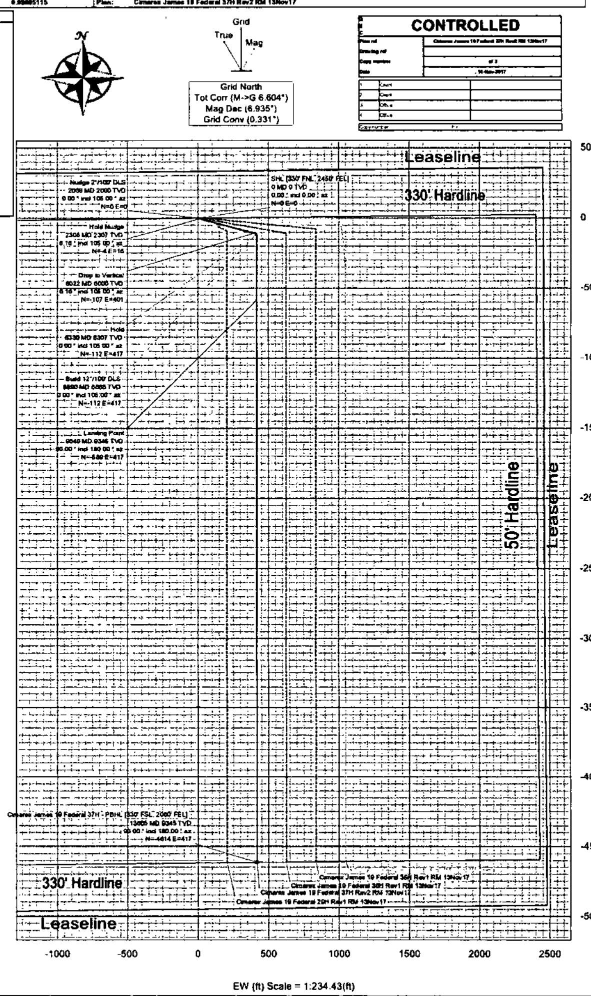
Surface Location — NAD83 New Mexico State Plane, Eastern Zone, US Feet — Lat: N 32 17 40.78; Lon: W 103 42 47.29; Northing: 472080.47RUS; Easting: 732871.90RUS; Grid Conv: 0.3314°; Scale Fact: 0.99995115

Miscellaneous — Slot: Cimarex James 19 Federal 37H; TVD Ref: RKB(3882.0ft above MSL); Plan: Cimarex James 19 Federal 37H Rev2 RM 13Nov17

Critical Points

Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
SHL [330' FNL, 2450' FEL]	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Rustler	1160.00	0.00	105.00	1160.00	0.00	0.00	0.00	0.00
Nudge 2°/100' DLS	2000.00	0.00	105.00	2000.00	0.00	0.00	0.00	0.00
Top of Salt	2260.36	5.21	105.00	2260.00	3.06	-3.06	11.42	2.00
Hold Nudge	2307.89	6.16	105.00	2307.39	4.26	-4.26	15.98	2.00
Castile	3266.12	6.16	105.00	3260.00	30.69	-30.69	115.28	0.00
Base of Salt	4523.38	6.16	105.00	4510.00	65.61	-65.61	245.59	0.00
Delaware Sands	4734.60	6.16	105.00	4720.00	71.67	-71.67	267.46	0.00
Drop to Vertical	6022.04	6.16	105.00	6000.00	107.42	-107.42	400.91	0.00
Hold	6330.02	0.00	105.00	6307.39	111.71	-111.71	416.89	2.00
Bone Spring	8522.63	0.00	105.00	8500.00	111.71	-111.71	416.89	0.00
Build 12°/100' DLS	8890.16	0.00	105.00	8867.54	111.71	-111.71	416.89	0.00
Avalon Shale	9077.39	22.47	180.00	9050.00	147.95	-147.95	416.89	12.00
Landing Point	9640.16	90.00	180.00	9345.00	589.17	-589.17	416.89	12.00
Cimarex James 19 Federal 37H - PBHL [330' FSL, 2080' FEL]	13665.09	90.00	180.00	9345.00	4614.09	-4614.09	416.89	0.00
1st Bone Spring Sand	NaN			9850.00				





Schlumberger

CIMAREX

Cimarex James 19 Federal 37H Rev2 RM 13Nov17 Anti-Collision Summary Report

Analysis Date-24hr Time:	November 14, 2017 - 11:30	**Analysis Method:**	3D Least Distance
Client:	Cimarex	**Reference Trajectory:**	Cimarex James 19 Federal 37H Rev2 RM 13Nov17 (Def Plan)
Field:	NM Lea County (NAD 83)	**Depth Interval:**	Every 10.00 Measured Depth (ft)
Structure:	Cimarex James 19 Federal 37H	**Rule Set:**	NAL Procedure: D&M AntiCollision Standard S002
Slot:	Cimarex James 19 Federal 37H	**Min Pts:**	All local minima indicated.
Well:	Cimarex James 19 Federal 37H	**Version / Patch:**	2.10.565.0
Borehole:	Original Borehole	**Database \ Project:**	US1153APP452.dir.slb.com\drilling-NM Lea County 2.10
Scan MD Range:	0.00ft ~ 13665.09ft		

Trajectory Error Model: ISCWSA0 3-D 95.000% Confidence 2.7955 sigma, for subject well. For offset wells, error model version is specified with each well respectively.

Offset Trajectories Summary

Offset Selection Criteria

Wellhead distance scan: Not performed!

Selection filters: Definitive Surveys - Definitive Plans - Definitive surveys exclude definitive plans
- All Non-Def Surveys when no Def-Survey is set in a borehole - All Non-Def Plans when no Def-Plan is set in a borehole

Offset Trajectory	Separation			Allow	Sep.	Controlling	Reference Trajectory		Risk Level			Alert	Status
	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
Results highlighted: Sep-Factor separation <= 1.50 ft													
Cimarex James 19 Federal 36H Rev1 RM 13Nov17 (Def Plan)													Warning Alert
	20.01	16.51	17.51	3.50	N/A	MAS = 5.03 (m)	0.00	0.00	CtCt<=15m<15.00			Enter Alert	
	20.01	16.51	17.51	3.50	26273.93	MAS = 5.03 (m)	24.00	24.00				WRP	
	20.01	16.51	8.54	3.50	1.95	MAS = 5.03 (m)	1490.00	1490.00				MinPts	
	20.03	16.51	8.45	3.52	1.93	MAS = 5.03 (m)	1510.00	1510.00				MINPT-O-EOU	
	20.08	16.51	8.46	3.57	1.93	MAS = 5.03 (m)	1520.00	1520.00				MinPt-O-SF	
	55.66	16.51	42.49	37.15	4.98	OSF1.50	1970.00	1970.00	OSF>5.00			Exit Alert	
	141.21	44.15	110.95	97.06	5.00	OSF1.50	5870.00	5848.84	OSF<5.00			Enter Alert	
	144.02	45.65	112.76	98.37	4.92	OSF1.50	6030.00	6007.92				MinPt-O-SF	
	147.67	46.11	116.09	101.55	4.99	OSF1.50	6130.00	6107.53	OSF>5.00			Exit Alert	
	210.00	53.27	173.65	156.73	6.13	OSF1.50	8720.00	8697.37				MinPt-O-SF	
	209.98	53.26	173.64	156.72	6.13	OSF1.50	8740.00	8717.37				MinPts	
	209.97	53.25	173.64	156.72	6.13	OSF1.50	8750.00	8727.37				MinPt-CtCt	
	297.18	91.27	235.50	205.91	4.98	OSF1.50	10690.00	9345.00	OSF<5.00			Enter Alert	
	297.18	223.03	147.65	74.14	2.00	OSF1.50	13660.00	9345.00				MinPt-CtCt	
	297.19	223.42	147.40	73.76	2.00	OSF1.50	13665.09	9345.00				MinPts	
Cimarex James 19 Federal 29H Rev1 RM 13Nov17 (Def Plan)													Warning Alert
	152.35	32.81	149.85	119.54	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	152.35	32.81	149.85	119.54	112406.39	MAS = 10.00 (m)	24.00	24.00				WRP	
	152.35	32.81	140.87	119.54	16.69	MAS = 10.00 (m)	1490.00	1490.00				MinPts	
	152.37	32.81	140.79	119.56	16.51	MAS = 10.00 (m)	1510.00	1510.00				MINPT-O-EOU	
	154.37	32.81	142.40	121.56	16.04	MAS = 10.00 (m)	1610.00	1610.00				MinPt-O-SF	
	69.66	32.81	53.63	36.85	4.99	MAS = 10.00 (m)	3660.00	3651.60	OSF<5.00			Enter Alert	
	32.86	32.81	13.35	0.05	1.78	MAS = 10.00 (m)	4230.00	4218.31				MinPts	
	32.91	32.81	13.29	0.10	1.78	MAS = 10.00 (m)	4250.00	4238.20				MINPT-O-EOU	

Offset Trajectory	Separation			Allow	Sep.	Controlling	Reference Trajectory		Risk Level			Alert	Status
	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
	32.99	32.81	13.31	0.18	1.77	MAS = 10.00 (m)	4260.00	4248.14				MinPt-O-SF	
	108.90	34.53	85.04	74.37	4.98	OSF1.50	5200.00	5182.71	OSF>5.00			Exit Alert	
	209.96	58.50	170.13	151.47	5.50	OSF1.50	8820.00	8797.37				MinPts	
	297.38	91.09	235.83	206.30	4.99	OSF1.50	11030.00	9345.00	OSF<5.00			Enter Alert	
	297.38	207.26	158.37	90.12	2.18	OSF1.50	13665.09	9345.00				MinPts	
Cimarex James 19 Federal 35H Rev1 RM 13Nov17 (Def Plan)													Warning Alert
	39.98	32.49	37.48	7.50	N/A	MAS = 9.90 (m)	0.00	0.00	CtCt<=15m<15.00			Enter Alert	
	39.98	32.49	37.48	7.50	21088.64	MAS = 9.90 (m)	24.00	24.00				WRP	
	39.98	32.49	28.51	7.50	4.18	MAS = 9.90 (m)	1490.00	1490.00				MinPts	
	40.00	32.49	28.42	7.52	4.13	MAS = 9.90 (m)	1510.00	1510.00				MINPT-O-EOU	
	40.43	32.49	28.66	7.94	4.09	MAS = 9.90 (m)	1550.00	1550.00				MinPt-O-SF	
	52.53	32.49	40.00	20.04	4.99	MAS = 9.90 (m)	1770.00	1770.00	OSF>5.00			Exit Alert	
	216.45	46.90	184.35	169.55	7.23	OSF1.50	6022.04	6000.00				MinPt-O-SF	
	421.42	58.27	381.74	363.15	11.27	OSF1.50	8890.16	8867.54				MinPts	
	419.93	63.55	376.73	356.38	10.26	OSF1.50	9610.00	9344.05				MinPt-CtCt	
	419.93	128.02	333.75	291.91	4.99	OSF1.50	11090.00	9345.00	OSF<5.00			Enter Alert	
	419.93	269.49	239.44	150.44	2.35	OSF1.50	13660.00	9345.00				MinPt-CtCt	
	419.96	270.05	239.09	149.90	2.34	OSF1.50	13665.09	9345.00				MinPts	
Cimarex James 19 Federal 34H Rev1 RM 13Nov17 (Def Plan)													Warning Alert
	59.88	32.81	57.38	27.07	N/A	MAS = 10.00 (m)	0.00	0.00				Surface	
	59.88	32.81	57.38	27.07	25824.47	MAS = 10.00 (m)	24.00	24.00				WRP	
	59.88	32.81	49.03	27.07	6.87	MAS = 10.00 (m)	1390.00	1390.00				MinPts	
	59.90	32.81	48.94	27.09	6.79	MAS = 10.00 (m)	1410.00	1410.00				MINPT-O-EOU	
	61.29	32.81	49.96	28.48	6.66	MAS = 10.00 (m)	1490.00	1490.00				MinPt-O-SF	
	258.19	48.65	224.93	209.54	8.31	OSF1.50	6030.00	6007.92				MinPt-O-SF	
	664.29	201.31	529.25	462.98	4.99	OSF1.50	12420.00	9345.00	OSF<5.00			Enter Alert	
	664.33	268.25	484.66	396.08	3.74	OSF1.50	13665.09	9345.00				MinPts	

Cimarex James 19 Federal 37H
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 off-lease access road. Proposed route is for all James wells in Section 18, 19 & 20 of 23S-32E.
- Length: 8131'
- Width: 30'
- Road Plat - Exhibit D.
- A ROW will be submitted to the BLM for approval.
- 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.

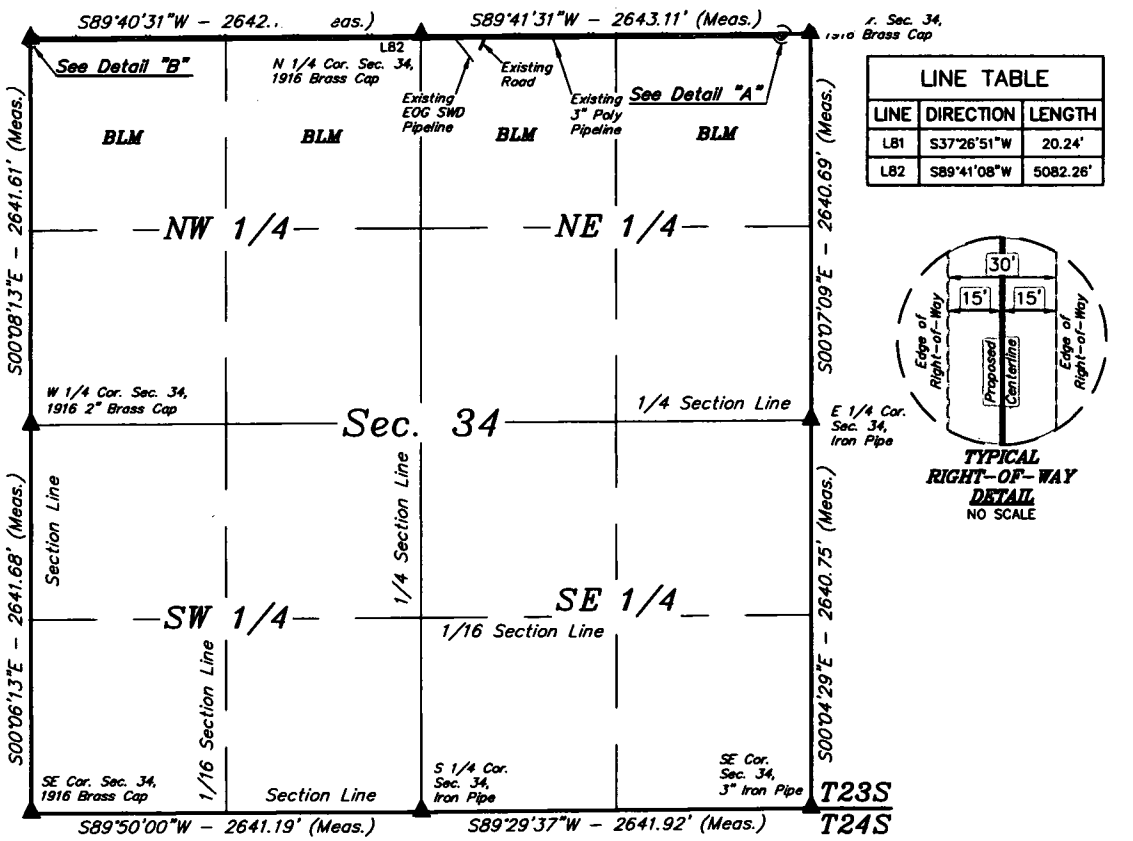
Proposed or Existing Production Facility

A new facility will be constructed for this project if the well is productive.

- James 19 Federal East CTB - Exhibit F
    - Direction to facility
    - Facility pad location layout and cut and fill
    - Facility pad archeological boundary
    - Facility pad flowline corridor
    - Facility pad access road

Gas Pipeline Specifications

- Cimarex plans to construct an off-lease gas pipeline to service this battery location.
- Please see Exhibit G for proposed pipeline route. Proposed route is for all James wells in Section 18, 19 & 20 of 23S-32E.
- Three pipelines: 12" LP Steel, 8" HP Steel, 4" HP Steel.
- Pipeline Length: 11,767'.
- Pipeline will be buried and will require a construction width of 30'.
- MAOP: 1,440psi.
- Anticipated working pressure: 12": 300psi; 8" & 4": 1100 psi.
- A ROW application will be submitted to the BLM for the proposed route.



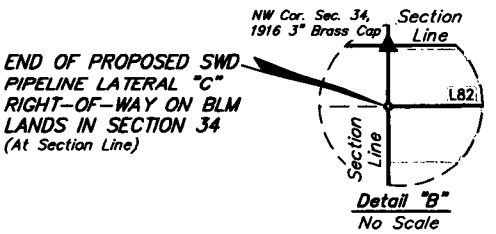
LINE TABLE		
LINE	DIRECTION	LENGTH
L81	S37°26'51"W	20.24'
L82	S89°41'08"W	5082.26'

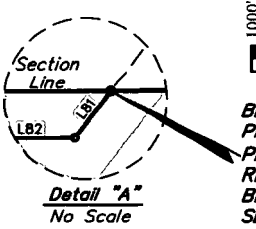
TYPICAL RIGHT-OF-WAY DETAIL
NO SCALE

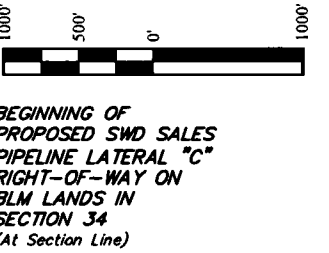
SWD SALES PIPELINE LATERAL "C" RIGHT-OF-WAY DESCRIPTION ON BLM LANDS IN SECTION 34

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT ON THE NORTH LINE OF THE NE 1/4 NE 1/4 OF SECTION 34, T23S, R32E, N.M.P.M., WHICH BEARS S89°41'31"W 190.63' FROM THE NORTHWEST CORNER OF SAID SECTION 36, THENCE S37°26'51"W 20.24'; THENCE S89°41'08"W 5082.26' TO A POINT ON THE WEST LINE OF THE NW 1/4 NW 1/4 OF SAID SECTION 34, WHICH BEARS S00°08'05"E 15.80' FROM THE NORTHWEST CORNER OF SAID SECTION 23. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A TRANSVERSE MERCATOR PROJECTION WITH A CENTRAL MERIDIAN OF W103°53'00". CONTAINS 3.514 ACRES MORE OR LESS.







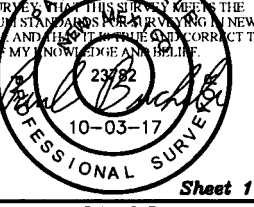
BEGINNING OF SWD SALES PIPELINE LATERAL "C" ON BLM LANDS IN SECTION 34 BEARS S89°41'31"W 190.63' FROM THE NORTHEAST CORNER OF SECTION 34, T23S, R32E, N.M.P.M.

END OF SWD SALES PIPELINE LATERAL "C" ON BLM LANDS IN SECTION 34 BEARS S00°08'05"E 15.80' FROM THE NORTHWEST CORNER OF SECTION 34, T23S, R32E, N.M.P.M.

ACREAGE / LENGTH TABLE				
	OWNERSHIP	FEET	RODS	ACRES
SEC. 34 (NE 1/4)	BLM	2460.38	149.11	1.694
SEC. 34 (SE 1/4)	BLM	2642.11	160.13	1.820
TOTAL		5102.49	309.16	3.514

▲ = 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: 62181-P1

Sheet 1 of 2

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

N

CIMAREX ENERGY CO.

JAMES 19-20 FEDERAL SWD PIPELINE NETWORK
SECTION 34, T23S, R32E, N.M.P.M.
LEA COUNTY, NEW MEXICO

SURVEYED BY	J.A.V., R.D.	09-12-17	SCALE
DRAWN BY	L.W.	10-03-17	1" = 1000'
SWD PIPELINE R-O-W			EXHIBIT H

UINTAH ENGINEERING & LAND SURVEYING

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

Cimarex James 19 Federal 37H
Surface Use Plan

Salt Water Disposal Specifications

- Cimarex plans to construct an off-lease SWD pipeline to service this battery location.
- Please see Exhibit H for proposed pipeline route. Proposed route is for all James wells in Section 18, 19 & 20 of 23S-32E.
- Two pipelines: 4" Surface poly & 12" Buried poly. Both pipelines follow the same route.
- Length: 66,402'.
- MAOP: 4" line: 120psi; 12" line: 150psi.
- Anticipated working pressure: 4" line: 110psi; 12": 225 psi.
- A ROW application will be submitted to the BLM for the proposed route.

Power Lines

- Cimarex plans to construct an on-lease power line to service the James 19 Federal W2E2 pad & James 19 Federal East CTB.
- Overhead power line from an existing power source located in the NE/4 of Sec 19-23S-32E.
- Length: 6,742'.
- Poles: 25
- Specifications: 480 volt, 4 wire, 3 phase.
- Please see Exhibit I for proposed route. Proposed route is for all James wells in Section 18, 19 & 20 of 23S-32E.

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: James 19 Federal 34H,35H, 36H
- 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 21-25S-32E or Sec 2-24S-32E.
    - 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.

Cimarex James 19 Federal 37H
Surface Use Plan

Flowlines and Gas Lift Pipelines

- Flowlines
  - Cimarex Energy plans to construct on-lease flowlines to service the well.
  - Flowline will be buried and require a construction width of 30'.
  - 6" HP steel for oil, gas, and water production.
  - Length: 1,197'.
  - 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.
  - Gas pipeline will be buried and require a construction width of 30'.
  - 6" HP steel for gas lift.
  - Length: 1,197'.
  - 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: 21,060'.
- Operating pressure: <140 psi.
- Fresh water will be purchased from a 3rd party.
- Please see Exhibit O for proposed route.

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.

Cimarex James 19 Federal 37H
Surface Use Plan

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: 8/29/2017
BLM Personnel on site: Jesse Bassett
Cimarex Energy personnel on site: Barry Hunt
Pertinent information from onsite:

AFMSS

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

PWD Data Report

07/26/2018

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:

Decribe 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: