

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

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

5. Lease Serial No.  
NMNM26394

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

**RECEIVED**  
**HOBBS OCD**  
 SEP 23 2019

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other                   |   | 8. Well Name and No.<br>VACA DRAW 20-17 FEDERAL 71H           |
| 2. Name of Operator<br>CIMAREX ENERGY COMPANY<br>Contact: AMITHY E CRAWFORD<br>E-Mail: acrawford@cimarex.com                                       |   | 9. API Well No.<br>30-025-46160-00-X1                         |
| 3a. Address<br>600 N. MARIENFELD SUITE 600<br>MIDLAND, TX 79701  | 3b. Phone No. (include area code)<br>Ph: 432-620-1909 | 10. Field and Pool or Exploratory Area<br>WC-025 G06 S253329D |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 20 T25S R33E SESE 390FSL 370FEL<br>32.109901 N Lat, 103.586899 W Lon |   | 11. County or Parish, State<br>LEA COUNTY, NM                 |

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

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

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Cimarex Respectfully Requests to change the cement design to pump an improved slurry on the 9 5/8" casing.

Previously Approved:  
12.9 ppg, 2.09 yield.

Proposed:  
12.2 ppg, 2.12 yield.

See attached drilling plan.

**Carlsbad Field Office**  
**OCD Hobbs**

*Approved. Same COAs J.P. 9/12/2019*

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

Electronic Submission #481037 verified by the BLM Well Information System  
For CIMAREX ENERGY COMPANY, sent to the Hobbs  
Committed to AFMSS for processing by PRISCILLA PEREZ on 08/29/2019 (19PP2987SE)

|  |                          |
|--|--------------------------|
| Name (Printed/Typed) AMITHY E CRAWFORD | Title REGULATORY ANALYST |
| Signature (Electronic Submission)      | Date 08/29/2019          |

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |                                 |                        |
|---|---------------------------------|------------------------|
| Approved By <u>JEROMY PORTER</u>  | Title <u>PETROLEUM ENGINEER</u> | Date <u>09/12/2019</u> |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. |                                 | Office <u>Hobbs</u>    |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Revisions to Operator-Submitted EC Data for Sundry Notice #481037**

|                | <b>Operator Submitted</b>  | <b>BLM Revised (AFMSS)</b>  |
|----------------|--|---|
| Sundry Type:   | APDCH<br>NOI   | APDCH<br>NOI  |
| Lease:         | NMNM26394  | NMNM26394   |
| Agreement:     |  |   |
| Operator:      | CIMAREX ENERGY CO.<br>600 N. MARIENFELD, SUITE 600<br>MIDLAND, TX 79701<br>Ph: 432-620-1909      | CIMAREX ENERGY COMPANY<br>600 N. MARIENFELD SUITE 600<br>MIDLAND, TX 79701<br>Ph: 432.620.1938          |
| Admin Contact: | AMITHY E CRAWFORD<br>REGULATORY ANALYST<br>E-Mail: acrawford@cimarex.com<br><br>Ph: 432-620-1909 | AMITHY E CRAWFORD<br>REGULATORY ANALYST<br>E-Mail: acrawford@cimarex.com<br><br>Ph: 432-620-1909        |
| Tech Contact:  | AMITHY E CRAWFORD<br>REGULATORY ANALYST<br>E-Mail: acrawford@cimarex.com<br><br>Ph: 432-620-1909 | AMITHY E CRAWFORD<br>REGULATORY ANALYST<br>E-Mail: acrawford@cimarex.com<br><br>Ph: 432-620-1909        |
| Location:      |  |   |
| State:         | NM   | NM  |
| County:        | LEA  | LEA   |
| Field/Pool:    | WC-025 6-06 S253329D; BS   | WC-025 G06 S253329D   |
| Well/Facility: | VACA DRAW 20-17 FEDERAL 71H<br>Sec 20 T25S R33E 390FSL 370FEL                                    | VACA DRAW 20-17 FEDERAL 71H<br>Sec 20 T25S R33E SESE 390FSL 370FEL<br>32.109901 N Lat, 103.586899 W Lon |

**1. Geological Formations**

TVD of target 10,000  
MD at TD 20,203

Pilot Hole TD N/A  
Deepest expected fresh water

| Formation            | Depth (TVD) from KB | Water/Mineral Bearing/Target Zone | Hazards |
|----------------------|---------------------|-----------------------------------|---------|
| Rustler              | 935                 | N/A                               |         |
| Top of Salt          | 1298                | N/A                               |         |
| Base of Salt         | 4714                | N/A                               |         |
| Lamar                | 4909                | N/A                               |         |
| Bell Canyon          | 4937                | N/A                               |         |
| Cherry Canyon        | 5990                | N/A                               |         |
| Brushy Canyon        | 7536                | Hydrocarbons                      |         |
| Bone Spring          | 9032                | Hydrocarbons                      |         |
| 1st Bone Spring Sand | 10011               | Hydrocarbons                      |         |
| 2nd Bone Spring Sand | 10583               | Hydrocarbons                      |         |
| 3rd Bone Spring Sand | 11722               | Hydrocarbons                      |         |
| Wolfcamp             | 12189               | Hydrocarbons                      |         |
| Wolfcamp Target      | 12430               | Hydrocarbons                      |         |

**2. Casing Program**

| Hole Size                 | Casing Depth From | Casing Depth To | Setting Depth TVD | Casing Size | Weight (lb/ft) | Grade            | Conn. | SF Collapse | SF Burst | SF Tension         |
|---------------------------|-------------------|-----------------|-------------------|-------------|----------------|------------------|-------|-------------|----------|--------------------|
| 17 1/2                    | 0                 | 1051            | 1051              | 13-3/8"     | 48.00          | H-40/J-55 Hybrid | ST&C  | 1.54        | 3.60     | 6.38               |
| 12 1/4                    | 0                 | 4949            | 4949              | 9-5/8"      | 40.00          | J-55             | LT&C  | 1.45        | 1.50     | 2.63               |
| 8 3/4                     | 0                 | 9571            | 9571              | 7"          | 29.00          | L-80             | LT&C  | 1.57        | 1.82     | 3.45               |
| 8 3/4                     | 9571              | 20203           | 10000             | 5-1/2"      | 17.00          | L-80             | BT&C  | 1.34        | 1.65     | 54.44              |
| BLM Minimum Safety Factor |                   |                 |                   |             |                |                  |       | 1.125       | 1        | 1.6 Dry<br>1.8 Wet |

TVD was used on all calculations.

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | Y      |
| Does casing meet API specifications? If no, attach casing specification sheet.   | Y      |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | N      |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y      |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                | Y      |
| Is well located within Capitan Reef?   | N      |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  | N      |
| Is well within the designated 4 string boundary.   | N      |
| Is well located in SOPA but not in R-111-P?  | N      |
| If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?                                   | N      |
| Is well located in R-111-P and SOPA?   | N      |
| If yes, are the first three strings cemented to surface?   | N      |
| Is 2nd string set 100' to 600' below the base of salt?   | N      |
| Is well located in high Cave/Karst?  | N      |
| If yes, are there two strings cemented to surface?   | N      |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   | N      |
| Is well located in critical Cave/Karst?  | N      |
| If yes, are there three strings cemented to surface?   | N      |
| Is AC Report included?   | N      |

**3. Cementing Program**

| Casing       | # Sks | Wt. lb/gal | Yld ft <sup>3</sup> /sack | H <sub>2</sub> O gal/sk | 500# Comp. Strength (hours) | Slurry Description   |
|--------------|-------|------------|---------------------------|-------------------------|-----------------------------|--|
| Surface      | 509   | 13.50      | 1.72                      | 9.15                    | 15.5                        | Lead: Class C + Bentonite  |
|              | 137   | 14.80      | 1.34                      | 6.32                    | 9.5                         | Tail: Class C + LCM  |
| Intermediate | 832   | 12.20      | 2.12                      | 11.57                   |                             | Lead: 25:75 (Poz:C) + Salt + Strength Enhancer                         |
|              | 289   | 14.80      | 1.34                      | 6.32                    | 9.5                         | Tail: Class C + LCM  |
| Production   | 248   | 10.30      | 3.64                      | 22.18                   |                             | Lead: Tuned Light + LCM  |
|              | 1537  | 14.20      | 1.30                      | 5.86                    | 14:30                       | Tail: 50:50 (Poz:H) + Salt + Bentonite + Fluid Loss + Dispersant + SMS |

| Casing String | TOC  | % Excess |
|---------------|------|----------|
| Surface       | 0    | 45       |
| Intermediate  | 0    | 50       |
| Production    | 4749 | 25       |

Cimarex request the ability to perform casing integrity tests after plug bump of cement job.

**4. Pressure Control Equipment**

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

| BOP installed and tested before drilling which hole? | Size   | Min Required WP | Type       |   | Tested To               |
|--|--------|-----------------|------------|---|-------------------------|
| 12 1/4   | 13 5/8 | 3M              | Annular    | X | 50% of working pressure |
|  |        |                 | Blind Ram  |   | 3M                      |
|  |        |                 | Pipe Ram   |   |                         |
|  |        |                 | Double Ram | X |                         |
|  |        |                 | Other      |   |                         |
| 8 3/4  | 13 5/8 | 3M              | Annular    | X | 50% of working pressure |
|  |        |                 | Blind Ram  |   | 3M                      |
|  |        |                 | Pipe Ram   |   |                         |
|  |        |                 | Double Ram | X |                         |
|  |        |                 | Other      |   |                         |

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

|   |  |
|---|--|
|   | Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i. |
| X | A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.  |
| N | Are anchors required by manufacturer?  |

**5. Mud Program**

| Depth           | Type             | Weight (ppg) | Viscosity | Water Loss |
|-----------------|------------------|--------------|-----------|------------|
| 0' to 1051'     | FW Spud Mud      | 8.30 - 8.80  | 30-32     | N/C        |
| 1051' to 4949'  | Brine Water      | 9.70 - 10.20 | 30-32     | N/C        |
| 4949' to 20203' | Cut Brine or OBM | 8.50 - 9.00  | 27-70     | N/C        |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

|   |                             |
|---|-----------------------------|
| What will be used to monitor the loss or gain of fluid? | PVT/Pason/Visual Monitoring |
|---|-----------------------------|

**6. Logging and Testing Procedures**

| Logging, Coring and Testing |   |
|-----------------------------|---|
| X                           | Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
|                             | No logs are planned based on well control or offset log information.  |
|                             | Drill stem test?  |
|                             | Coring?   |

| Additional Logs Planned | Interval |
|-------------------------|----------|
|                         |          |

**7. Drilling Conditions**

| Condition                  |          |
|----------------------------|----------|
| BH Pressure at deepest TVD | 4680 psi |
| Abnormal Temperature       | No       |

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

|   |                      |
|---|----------------------|
| X | H2S is present       |
| X | H2S plan is attached |

**8. Other Facets of Operation**

**9. Wellhead**

A multi-bowl wellhead system will be utilized.

After running the 13-3/8" surface casing, a 13 5/8" BOP/BOPE system with a minimum working pressure of 3000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 3000 psi test. Annular will be tested to 50% of working pressure. The pressure test will be repeated at least every 30 days, as per Onshore Order No. 2.

The multi-bowl wellhead will be installed by vendor's representative. A copy of the installation instructions has been sent to the BLM field office.

The wellhead will be installed by a third-party welder while being monitored by the wellhead vendor representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 3000 psi.

All casing strings will be tested as per Onshore Order No.2 to atleast 0.22 psi/ft or 1,500 whichever is greater and not to exceed 70% of casing burst.

If well conditions dictate conventional slips will be set and BOPE will be tested to appropriate pressures based on permitted pressure requirements.