

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
June 1, 2004

For drilling and production facilities, submit to
appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe
office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Cimarex Energy Co. of Colorado</u> Telephone: <u>972-401-3111</u> e-mail address: <u>zfarris@cimarex.com</u>		
Address: <u>PO Box 140907, Irving, TX 75014-0907</u>		
Facility or well name: <u>Laguna Deep Unit No. 18</u> API #: <u>30-025-</u> <u>38631</u> U/L or Qtr/Qtr <u>L</u> Sec <u>36</u> T <u>19S</u> R <u>33E</u>		
County: <u>Lea</u> Latitude: <u>32° 36' 53.47 N</u> Longitude <u>103° 37' 23.47 W</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u> </u> bbl closed system, cuttings buried	Below-grade tank Volume: <u> </u> bbl Type of fluid: <u> </u> Construction material: <u> </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: <u> </u>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>60'</u>	Less than 50 feet (20 points) <u>50 feet or more, but less than 100 feet</u> (10 points) 100 feet or more (0 points)	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <u>No</u> (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <u>1000 feet or more</u> (0 points)	
	Ranking Score (Total Points)	10

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility . (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 12.05.07

Printed Name/Title Zeno Farris - Manager Operations Administration Signature Zeno Farris

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval

Printed Name/Title CHRIS WILLIAMS / DIST. SUPER Signature Chris Williams Date: 12/12/07

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-38631	Pool Code 2260	Pool Name Apache Ridge; Bone Spring
Property Code 300523	Property Name LAGUNA DEEP UNIT	Well Number 18
GRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3596'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	36	19 S	33 E		1980	SOUTH	660	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code U	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><u>SURFACE LOCATION</u> Lat - N32°36'53.47" Long - W103°37'23.47" NMSPC- N 588145.0 E 759995.3 (NAO-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Zeno Farris</i> 12-05-07 Signature Date</p> <p>Zeno Farris Printed Name</p>
		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 27 2007 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature of Professional Surveyor</p> <p><i>Gary L. Jones</i> Printed Name</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

GUIDELINES FOR PROCESSING APD FOR WELL IN POTASH AREA -- R-111-P

BLM approves federal wells in potash area so we do not have to worry about this.

STATE & FEE LEASES

Post to map and if within the potash area outlined on map or within 1 mile of that area do the following:

- 1) Make certain operator has filed a plat of the area showing the potash lessees for the area where the well is located as well as the 1-mile radius referred to.
- 2) Make certain operator has notified all of the potash lessees by certified mail of the APD. They must send copy of delivery notice to us since 20-day waiting period starts from delivery date.

- 3) Send letter to BLM and SLO advising them of this APD and request they advise if this location is within LMR or buffer zone.

BUFFER ZONE -- shallow well is 1/4 mile of LMR
-- deep well is 1/2 mile of LMR

- 4) If application is within LMR or buffer zone you must DENY it under R-111-P unless, there is a mutual agreement of lessor and lessees of oil & gas and potash interests. Copy of this agreement must be submitted with APD.
- 5) If application is outside LMR or buffer zone and no objection is received within 20 days from date of receipt by potash lessees of certified notice, the APD may be approved.

30-025-38631

CHECK LIST FOR PROCESSING APD IN POTASH AREA

OPERATOR: Cimarex Energy Co of Colorado

LEASE & WELL Laguna Deep Unit #18-L

LOCATION 36-195-332, 1980's & 660'W PROPOSED DEPTH 10,400'

DATE APD RECEIVED 12/06/07 WAS PLAT OF AREA ATTACHED _____

WERE ALL POTASH LESSEES NOTIFIED BY CERTIFIED MAIL? _____

20-DAY WAITING PERIOD BEGINS _____ ENDS _____

WERE WAIVERS RECEIVED? _____

DATE SLO NOTIFIED 12/06/07 DATE REPLY RECEIVED 12/10/07 No

DATE BLM NOTIFIED 12/06/07 DATE REPLY RECEIVED 12/10/07 No

IS LOCATION INSIDE LMR OR BUFFER ZONE? YES _____ NO X

IF LOCATION INSIDE LMR OR BUFFER ZONE WAS LESSEE/LESSOR AGREEMENT FURNISHED _____

DATE APD APPROVED 12/12/07 DATE APD DENIED _____



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

BUREAU OF LAND MANAGEMENT

ATT: Potash

P O Box 1778

Carlsbad, NM 88221

STATE LAND OFFICE

ATT: Joe Mraz

P O Box 1148

Santa Fe, NM 87504

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR Cimarex Energy Co of ColoradoLEASE NAME Laguna Deep Unit #18-LPROPOSED LOCATION 36-19s-33e, 1980/5 & 660/WPROPOSED DEPTH 10,400'

Gentlemen:

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R - 111 - P, please advise this office whether the location is within an established Life-of-Mine-Reserve are filed with and approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Thank you for your assistance. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

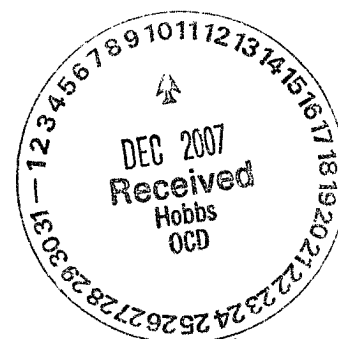
Chris Williams

Supervisor, District I

RESPONSE:

The above-referenced location is in LMR (____ year)-----Yes____ No XThe above referenced location is within the Buffer Zone-----Yes____ No XSigned Larry J. Raybal on Janis BathDate 12/6/07Printed Signature Larry J. Raybal

Representing _____



12-6-07



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OPERATOR Cimarex Energy Co of ColoradoLEASE NAME Laguna Deep Unit #18-LPROPOSED LOCATION 36-19s-33e, 1950/5 & 660/42PROPOSED DEPTH 10,400'

Gentlemen:

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Thank you for your assistance. Please return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Chris Williams

Supervisor, District I

RESPONSE:The above-referenced location is in LMR 2007 year) ----- Yes _____ No XThe above referenced location is within the Buffer Zone ----- Yes _____ No XSigned [Signature]Date 12/7/07Printed Signature JAMES RUTLEYRepresenting CFD-DOI-BCM