Form 3160-5
(November 1994)

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UNITED STATES
DEPARTMENT OF THE INTERIOR OCD Hobbs
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0135
Expires July 31, 1996

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5 Lease Serial No.
NM-40406

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
NM-109692

1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Federal 6 Com No. 2

2 Name of Operator
Cimarex Energy Co. of Colorado

9. API Well No.
30-025-36003

3a. Address
5215 N. O'Connor Blvd., Ste 1500; Irving, TX 75039

3b Phone No. *(include area code)*
972-401-3111

10. Field and Pool, or Exploratory Area
Quail Ridge; Morrow (Gas)

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
1980 FNL & 1980 FEL
6-20S-34E

11. County or Parish, State
Lea County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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

Well shut in since 09-07. Open Morrow perfs at 13198' - 13210' and 13222' - 13302.' Additional Morrow perfs at 13344' - 13354' with CIBP at 13334.' More Morrow perfs at 13393' - 13404' with CIBP @ 13390.' Cimarex plans to plug and abandon the well by performing the operations below.

- NDWH & NUBOP. TIH w/ tbg to +/- 4150.'
- Pump 100 sx Class C plug w/ fluid loss additive.
  - If necessary, spot 25 sx Class C w/ 3% $CaCl_2$. If necessary, spot an additional 25 sx Class C 2/ 3% $CaCl_2$.
- If bridge has formed, spot cement plug from top of fish @ 4172-4000.' If no bridge, coordinate alternative plans with BLM.
- Spot 900 sx Class C plug from 3200-400.'
- Spot surface plug. Clear location and remediate per BLM specifications.

Please see attached procedure and well bore diagram.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Name *(Printed/Typed)*
Natalie Krueger

Title
Regulatory Analyst

Signature
Natalie Krueger

Date
December 30, 2009

APPROVED
JAN 25 2010
WESLEY W. INGRAM
PETROLEUM ENGINEER

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
2-25-10 FIELD REPRESENTATIVE/STAFF MANAGER

Title

Date

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

Office

Title 18 U.S.C. Section 1001, makes 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.

(Instructions on reverse)

FEDERAL 6 COM #2
PLUG AND ABANDON

API # 30-025-36003
1980' FNL & 1980' FEL
Section 6, 20S, R-34E
Lea County, New Mexico

GL : 3613' **KB :** 3633'
TD DRILLER : 13700' **TD LOGGER:** 13598'
SURF CSG : 13-3/8" OD 68/61#/FT J-55 AT 3150' TOC 0' (CIRC)
INTER CSG: 8-5/8" OD 32 #/FT J-55 @ 4911' DV TOOL AT 3622' TOC 0' (CIRC)
PROD CSG : 5-1/2" OD 20# P-110 @ 4172'-13700' W/ 745 SX.TOC <5000' (CBL)
ID=4.778", DRIFT=4.653", BURST=12640, CAPACITY=0.9314 GAL/LF
TUBING: 2-3/8" L-80 CUT OFF AT 9485' OOT AND AS1X PKR AT 13123'
PERFS: 13198-210' (2 SPF), 13222-228' (3 SPF), 13261-266' (3 SPF), 13288-292 (3 SPF), 13300-302' (3 SPF), *BELOW PLUGS: 13344-354' (6 SPF) 13393-404' (6 SPF)*

NOTE: RANDY HOGAN AND CHAD MCGEHEE MET WITH BLM CARLSBAD FIELD OFFICE STAFF ON NOVEMBER 4, 2009 TO DISCUSS THE PROCEDURE BELOW. ANY MODIFICATIONS NEED TO BE DISCUSSED WITH RANDY AND BLM PRIOR TO TAKING ACTION.

1. MIRU PU. DELIVER 4200' OF 2-7/8 J-55 RENTAL TUBING (YELLOW BAND IF POSSIBLE) TO LOCATION AS WORKSTRING. ND WELLHEAD AND NU BOP. PICK UP AND TIH W/ TUBING TO +/- 4150' (ABOVE TOP OF 5-1/2" CASING STUB).

2. RIG UP CEMENTERS. PUMP 100 SX CLASS C W/ FLUID LOSS ADDITIVE. FLUSH WITH 24 BBL FRESH WATER TO DISPLACE OUT END OF TUBING. PULL TUBING UPHOLE AND WOC 4 HOURS. TAG TO SEE IF PLUG FORMED A BRIDGE. IF YES, SKIP TO STEP 4.

3. SPOT 25 SX CLASS C W/ 3% CACL – WOC 3 HOURS AND TAG. IF NO BRIDGE, PUMP ADDITIONAL 25 SX CLASS C W/ 3% CACL. WOC 3 HOURS AND TAG. IF NO BRIDGE, PUMP ADDITIONAL 25 SX CLASS C W/ 3% CACL. WOC 3 HOURS AND TAG. Displace all plugs w/ 24 bbls fresh water.

4. IF A BRIDGE HAS FORMED, DESIGN TO SPOT CEMENT PLUG FROM TOP OF FISH AT 4172'- 4000'. IF NO BRIDGE, CALL BLM AND DISCUSS ATTEMPTING TO DUMP GRAVEL INTO CASING TO FORM A BRIDGE OR SETTING A CIBP AT +/-3620' (JUST ABOVE 8-5/8" DV TOOL) AND SPOTTING 25 SX PLUG ON TOP.

5. SPOT 900 SX CLASS C CEMENT PLUG FROM 3200'-400' INSIDE 8-5/8" CASING. LAY DOWN TUBING WHILE COMING OUT OF HOLE.

6. SPOT SURFACE PLUG. RDMO CEMENTERS AND PULLING UNIT.

7. CLEAR LOCATION AND REMEDIATE PER BLM SPECIFICATIONS.

Cimarex Energy Co

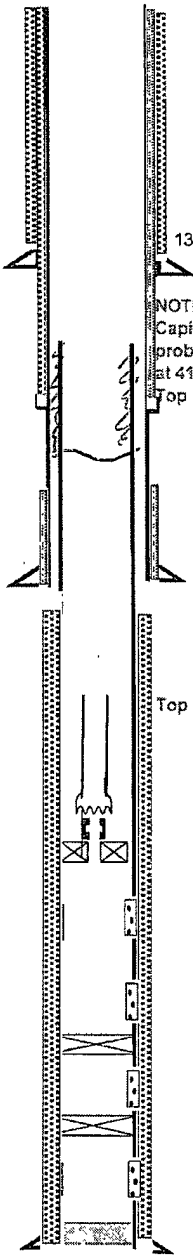
Lease : Federal 6 Com 2	Perforations			Casing			
Field : Quail Ridge	Reservoirs	To	From	Size	Weight	Grade	Depth
KB : 3633'		13,198	13,210	5 5	20	P-110	13700
Legals : ULG Sec 6-20S-34E		13,222	13,228				
1980' FNL & 1980' FEL		13,261	13,266				
Lea County NM		13,288	13,292				
Directions to Location :		13,300	13,302	Tubulars			
		~~13,344~~	~~13,354~~	Size	Weight	Grade	Depth
		~~13,393~~	~~13,494~~	2 3/8"	4.7	L-80	

5-1/2" casing suspect parted
Out on slips at ~22' downhole
10/20/09- PU on 5 1/2" csg, LD 97 jts
Jt # 96 was badly corroded. 97 was inside of Jt # 96, 97 was corroded, Jt # 98 was parted 16.30 ft down, corrosion Cut down over 5 1/2" csg w/ a 7 3/8" OD mill Went inside the 5 1/2" csg w/ 4 5/8" mills Cut down to 4300 ft. Attempted to cut 5 1/2" csg @ 4295 ft, couldn't get inside the csg w/ jet cutter. Ran 2" split shot, no success Ran 4 7/8" hole opener to 4278 ft. Had OS w/ 5 1/2" grapple, went over 3 1/2 ft out of a possible 5 1/2" ft. Csg showed scale on exterior of the csg.

Tubing parted ~4100' - severe corrosion
After pulling out the parted 5 1/2" csg we fished the 2 3/8" tbg. Found tbg to be stuck at 9500 ft. Cut off 2 3/8" tbg @ 9485 ft. Tbg showed the exterior to be coated w/ a light to medium covering of scale. No more signs of holes or corrosion on the exterior of the tbg wall. Will need to scan to see what we really have for our integrity of the pipe We have 3638 ft of 2 3/8" tbg above the packer

Tbg Detail
277 jts 2-3/8" 4 7# L80 13115
model T-2 on/off tool 13116 46
size 5-1/2" x 2-3/8" 1 875 X, 13116 46
model AS 1X csg packer 13123 82
size 5-1/2" x 2-3/8" x 4 500" OD 13123 82
1-tog sub 2-3/8" L80 13125 86
Profile Nipple 2 3/8" x 1 875 "X" 13127.06
1 Tbg sub 2-3/8" L80 13129 12
Wireline Entry Guide 13129 56
Total 13129 56

7 7/8" hole



13 3/8"@ 3150 Cmt circ

NOTE: NO CIRCULATION ONCE FISHING COMMENCED
Capitan Reef @ 3675 ft. offset wells have had same problems in that same area, lost returns while drlg at 4100 to 4300 ft
Top of 5 1/2" csg stub as of 10/29/09- 4172 ft.

8 5/8 "@ 4911 w/ DV tool at 3622' Circ'd 2nd stg

Top of 2 3/8" tbg @ 9485 ft as of 10/29/09

Model AS-1X casing Packer 13123.82

Perfs 13198-13210
Shot 3/6/06 2 spf
3/21/06 Frac'd 13198-13302 w/ 50k# Ultraprop
70-61 Q 45# CMHPG
Perfs 13222-13302 OA
Shot 1/15/03 3spf
Natural 1MMCFD
CIBP @ 13334 + 10' cmt
1/15/2003
perfs 13344-54
Shot 11/27/02 6 spf
CIBP @ 13390 + 10' cmt
11/26/2002

Perfs 13393-13404,
Shot 11/13/02 6 jspf, .44 EH
5 1/2" 20# P-110 @ 13700 TOC ~ 5000'
Orig. DOD 13647'
13598' Wireline Tag

Federal 6 Com No. 2
30-025-36003
Cimarex Energy Co. of Colorado
January 25, 2010
Conditions of Approval

Procedure is based on problems that developed with hole while attempting to recomplete.

For future reference, any proposed salt water disposal well within the 0.5 mile area of review of this well will require a careful review to determine if disposal is possible.

See attached standard P&A COA and Reclamation Objectives and Procedures.

WWI 012510

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.
If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. Notification: **Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.**

3. Blowout Preventers: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. Cement Requirement: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Any plug that requires a tag will have a minimum WOC time of 4 hours.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified when the wellhead is cut off to verify that cement is to surface in the casing and all annuluses.** The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

DHW 112309

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene St
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm

TAKE PRIDE IN AMERICA

In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. 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. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.

2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.

3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.

4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.

6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.

7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Terry Gregston
Environmental Protection Specialist
575-234-5958

Bobby Ballard
Environmental Protection Specialist
575-234-2230

Randy Rust
Environmental Protection Specialist
575-234-5943

Linda Denniston
Environmental Protection Specialist
575-234-5974

Jennifer Van Curen
Environmental Protection Specialist
575-234-5905

Justin Frye
Environmental Protection Specialist
575-234-5922

Cody Layton
Natural Resource Specialist
575-234-5959

Trishia Bad Bear
Natural Resource Specialist
575-393-3612

Todd Suter
Surface Protection Specialist
575-234-5987

Doug Hoag
Civil Engineering Technician
575-234-5979