

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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

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

5. Lease Serial No.
NMLC068960

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. BLUETAIL 8 FEDERAL 3
2. Name of Operator CIMAREX ENERGY COMPANY OF CO Contact: NATALIE E KRUEGER E-Mail: nkrueger@cimarex.com		9. API Well No. 30-015-38598-00-X1
3a. Address 600 NORTH MARIENFELD STREET SUITE 600 MIDLAND, TX 79701	3b. Phone No (include area code) Ph: 432-620-1936 Fx: 432-620-1940	10. Field and Pool, or Exploratory EMPIRE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T17S R29E SWNW Lot E 2060FNL 990FWL		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Cimarex proposes to a) eliminate the intermediate casing string, but proposes a contingency plan in case of lost returns; and b) alter production casing plans. Please see plans below:

Eliminate intermediate casing string: Drill 11" hole to 1100. If no lost returns, switch to 7.875 inch hole at 1100 and drill 5300 and set 5.5 inch 17# N80 LTC @ 5300. Cement with Lead Slurry: 700 sacks Class C 50/50 Poz + 10% Bentonite + 0.3% FL-10 + 0.25% R-38 + 5% Salt, Mixed at 11.92 ppg. Yield 2.37 cuft/sx, 13.52 gal/sx Fresh Water. Tail Slurry: 320 sacks C Star Bond + 0.3% FL-10 + 0.1% C-20 + 0.25% R-38. Mixed at 13.2 ppg, Yield 1.55 cuft/sx, 7.86 gal/sx Fresh Water. TOC @ surface (50% excess)

However, if lost returns occur, contingency plan to set 8.625 inch 24# J55 STC @ 1100 will be implemented. Cement with Lead: 200 sx 50:50 Poz: C +0.2% Defoamer (D046) +5% D044 (Salt) +10%

RECEIVED
 JUN 13 2011
 NMOCD ARTESIA

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

**Electronic Submission #109293 verified by the BLM Well Information System
For CIMAREX ENERGY COMPANY OF CO, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 05/31/2011 (11DLM0804SE)**

Name (Printed/Typed) NATALIE E KRUEGER	Title REGULATORY
Signature (Electronic Submission)	Date 05/27/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WITHDRAWN	WESLEY INGRAM Title PETROLEUM ENGINEER	Date 06/09/2011
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 Carlsbad

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.

Additional data for EC transaction #109293 that would not fit on the form

32. Additional remarks, continued

D020(Extender) +1/8 pps Polyflake (D130) +2 pps Gilsonite (D042), 11.8 ppg, Yield 2.57, 15.061 gal/sx water. Tail: 300 sx C +1%S001 (CaCl₂), 14.8 ppg, 1.35 yield. 25% Excess, TOC surface.

Regardless of the intermediate casing situation, Cimarex plans to change production casing to 5.5 inch 17# N80 LTC @ 5300. Cement with Lead Slurry: 460 sacks Class C 50/50 Poz + 10% Bentonite + 0.3% FL-10 + 0.25% R-38 + 5% Salt, Mixed at 11.92 ppg. Yield 2.37 cuft/sx, 13.52 gal/sx Fresh Water. Tail Slurry: 320 sacks C Star Bond + 0.3% FL-10 + 0.1% C-20 + 0.25% R-38. Mixed at 13.2 ppg, Yield 1.55 cuft/sx, 7.86 gal/sx Fresh Water. TOC surface (50% excess).