

CRITICAL
~~HIGH~~ CAVEKARSTForm 3160-3
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No 1004-0137
Expires March 31, 20075. Lease Serial No. **BHL**
NM-120887, NM-14468
6 If Indian, Allottee or Tribe Name1a Type of Work: ☒ DRILL ☐ REENTER
1b Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

7 If Unit or CA Agreement, Name and No.

8. Lease Name and Well No

Hayduke 34 Federal Com No. 3 **H (78769)**

9. API Well No.

30-015- **39355**10 Field and Pool, or Exploratory
SAGE DOG
Wolfcamp Wildcat, EAST

11. Sec., T R M or Bk and Survey or Area

34-25S-26E

2. Name of Operator
Cimarex Energy Co. of Colorado **(162683)**
3a. Address
600 N. Marienfeld St., Ste. 600; Midland, TX 79701
3b. Phone No. (include area code)
432-571-7800

4. Location of Well (Report location clearly and in accordance with any State requirements *)

At Surface 1880 FSL & 200 FEL

At proposed prod Zone 1980 FSL & 660 FWL **Horizontal Wolfcamp Test**

14 Distance in miles and direction from nearest town or post office*

12. County or Parish

Eddy

13. State

NM

15 Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drig. unit line if
any) 200

16 No of acres in lease

NM-14468 - 680 acres

NM-120887 - 720 acres

17. Spacing Unit dedicated to this well

S2 320 acres

18 Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft

1236

19. Proposed Depth

Pilot Hole 10250

✓ MD 13995, TVD 9682

20. BLM/BIA Bond No on File

NM-2575

21. Elevations (Show whether DF, KDB, RT, GL, etc)

3364' GR ✓

22. Approximate date work will start*

06.15.11

23. Estimated duration

30-35 days

24 Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, shall be attached to this form

- Well plat certified by a registered surveyor
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office)

- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator Certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Zeno Farris

Name (Printed/Typed)

Zeno Farris

Date

04.19.11

Title

Manager Operations Administration

Approved By (Signature) **/s/ Don Peterson**

Name (Printed/Typed)

Date **AUG 18 2011**

Title

FIELD MANAGER

Office

CARLSBAD FIELD OFFICE

Application approval 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.

Conditions of approval, if any, are attached

APPROVAL FOR TWO YEARS

Title 18 U.S.S. 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.

* (Instructions on page 2)

OCD CONDITION OF APPROVAL for Drilling.

Intent to drill ONLY --- CANNOT produce until the Non-Standard
Location has been approved by OCD Santa Fe office.

Carlsbad Controlled Water Ba

SEE ATTACHED FOR
CONDITIONS OF APPROVALApproval Subject to General Requirements
& Special Stipulations Attached

Application to Drill
Hayduke 34 Federal Com No. 3
Cimarex Energy Co. of Colorado
Unit I, Section 34
T25S-R26E, Eddy County, NM

In response to questions asked under Section II B of Bulletin NTL-6, the following information is provided for your consideration:

1. Location: SHL 1880 FSL & 200 FEL
 BHL 1980 FSL & 660 FWL

2. Elevation above sea level: 3364' GR

3. Geologic name of surface formation: Quaternary Alluvium Deposits

4. Drilling tools and associated equipment: Conventional rotary drilling rig using fluid as a circulating medium for solids removal.

5. Proposed drilling depth: MD 13995, TVD 9682 Pilot Hole 10250

6. Estimated tops of geological markers:

Rustler	Spotty, N/A	Bone Spring "A" Shale	5647
Top Salt	1059	Bone Spring "C" Shale	5910
Base Salt	1716	1st Bone Spring Ss	6440
Delaware	1907	2nd Bone Spring Ss	7000
Cherry Canyon	2902	2nd BS Ss Lower	7723
Brushy Canyon	3888	3rd Bone Spring Ss	8308
Bone Spring	5434	Wolfcamp	8660

7. Possible mineral bearing formations:

Wolfcamp	Gas
Bone Spring	Gas
Delaware	Oil

8. Proposed drilling Plan

Drill 8¾" hole to 9350 and set 7" casing from 0-9296 and cement. Then drill out of 7" shoe with 6½" bit to pilot hole TD @ 10250 and log. Cement pilot hole with 285 Sks 16.5 ppg Yield 1.06 PlugCem H + 0.6% CFR-3 +0.2% HR-601. Dress off cement and kick off of cement plug with 6½" bit @ 9396 to drill lateral. Drill to TD 13995 MD, 9682 TVD and run 4½" liner from liner hanger at 9096 to TD and cement liner.

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9. Mud Circulating System:

Depth	Mud Wt	Visc	Fluid Loss	Type Mud
0' to 215 ⁴⁵⁰	8.4 - 8.8	30-32	NC	FW spud mud. Add FW to control weight & viscosity and paper to prevent seepage.
215 to 1900	10	28-29	NC	Saturated Brine. Sweep as needed to clean hole.
1900 to 10250	9.0	28-30	NC	Cut brine. Sweep as needed to clean hole.
9096 to 13995	12.0	28-32	NC	OBM

Sufficient mud materials will be kept on location at all times in order to combat lost circulation or unexpected kicks. In order to run DSTs, open hole logs, and casing, the viscosity and water loss may have to be adjusted in order to meet these needs.

10. Casing Program:

See CoA

	Hole Size	Depth	Casing OD	Weight	Collar	Grade
Surface	17½"	0 to 215 ⁴⁵⁰	New 13½"	48#	STC	H-40
Intermediate	12¼"	0 to 1900	New 9½"	40#	LTC	J-55
Production	8¾"	0 to 9296	New 7"	26#	LTC	P-110
Liner	6½"	9096 to 13995	New 4½"	11.6#	BTC/LTC*	P-110

*BTC from 9096-9845 (EOC) and LTC from 9845-13995

**Equivalent or better casing may be substituted for all proposed casing strings. If lost returns occur during drilling of 8.75" hole, stronger casing will be used and a DVT and 2-stage cement job will be implemented as shown below.

11. Cementing Program:

See CoA

Surface Excess 100%	Lead: 100SX CL. (C) +2% S1+2%D46 YIELD 1.97 Tail: 390SX. CL. (C) +1% S1 YIELD 1.34. TOC Surface Centralizers per Onshorder 2.III.B.1.f
Intermediate Excess 2 5%	Lead: 360SX. (C) 4% D20 + .2% D46 + 1% S1. YIELD 1.96, MIX WATER 10.85, WT. 12.9 Tail: 220SX. (C) + .1% D13. YIELD 1.33, MIX WATER 3.36, WT. 14.8 TOC Surface
Production Excess 25%	Lead: 1570 sx Econocem H + 3% Salt + 3# Gilsonite + 0.2% HR-601 (12.6, 1.78) Tail: 220 sx Halcem H + 0.1% HR-601 (15.6, 1.19) TOC Surface
Production Contingency Excess 25% <u>DVT @ 2000</u>	Stage 1: Lead: 870 sks 12.9#, Yield 1.86, EconoCem HLH + 5% NaCl + 5 lbm/sk Gilsonite and Tail: 640 sks 14. #, yield 1.22, VersaCemH + 0.4% LAP-1 + 0.3% CFR-3 +0.25 lbm/sk D-AIR + 1 lbm/Sk NaCl +0.1% HR-601 Stage 2: 200 sx 12.9#, Yield 1.86, EconoCem HLC + 5% NaCl + 5 lbm/sk Gilsonite DVT setting depth will be adjusted depending on hole conditions. DVT to be set at a minimum of 50' below previous shoe and a maximum of 200' above current shoe. Cement volumes will be adjusted accordingly. TOC Surface
Liner Excess 25%	470 sx. Versacem H, 14.5 wgt., 1.22 Yield, 5.37 fresh water, .1%HR 601, 1 lbm. salt Centralizers every 3rd joint in lateral to provide adequate cement coverage every 100' unless lateral doglegs require greater spacing between centralizers.

According to the State Engineer, depth to groundwater is 13. Fresh water zones will be protected by setting 13½" casing at ~~215~~ and cementing to surface. Hydrocarbon zones will be protected by setting 9½" casing at 1900 and 7" to 9296 and cementing to surface. If necessary, a DVT will be run on production casing and a 2 stage cement job will be implemented.

<u>Collapse Factor</u>	<u>Burst Factor</u>	<u>Tension Factor</u>
1.125	1.125	1.6

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12. Pressure control Equipment:

Exhibit "E". A 13 $\frac{3}{8}$ " 5000 PSI working pressure B.O.P. consisting of one set of blind rams and one set of pipe rams and a 5000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 215.' A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor. Mud gas separator will be utilized if drilling in potential H2S area.

BOP unit will be hydraulically operated. BOP will be nipped up and operated at least once a day while drilling and the blind rams will be operated when out of hole during trips. No abnormal pressure or temperature is expected while drilling. From the base of the surface pipe through the running of production casing, the well will be equipped with a 5000 psi BOP system.

BOPs will be tested by an independent service company to 250 psi low and 5000 psi high. Hydril will be tested to 250 psi low and 2500 psi high.

Cimarex Energy Co. of Colorado (operator) requests a variance if Cactus 122 (rig name) is used to drill this well to use a co-flex line between the BOP and choke manifold.

Manufacturer: Midwest Hose & Specialty

Serial Number: 211964 See attached htdrostatic test report

Length: 35' Size: 4-1/16" Ends - flanges/clamps

WP rating: 10,000 psi Anchors required by manufacturer - Yes/No

13. Testing, Logging and Coring Program: *See COA*

A. Mud logging program: No mud logging program.

B. Electric logging program: CNL / LDT / CAL / GR, DLL / CAL / GR

C. DSTs or Cores:

14. Potential Hazards:

No abnormal pressures or temperatures are expected. In accordance with Onshore Order 6, Cimarex has encountered H₂S in a one-time encounter in an Intra-salt Pocket and while drilling and completing wells in the Delaware Mountain Group. In this regard, attached is an H₂S Drilling Operations Plan. The ROEs encountered do not meet the BLM's minimum requirements for the submission of a "Public Protection Plan" for the drilling and completion of this well. Adequate flare lines will be installed off the mud / gas separator where gas may be flared safely. All personnel will be familiar with all aspects of safe operation of equipment being used.

Estimated BHP 4000 psi Estimated BHT 175°

15. Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved.

Drilling expected to take 25-35 days

If production casing is run an additional 30 days will be required to complete and construct surface facilities.

16. Other Facets of Operations:

After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals.

Wolfcamp pay will be perforated and stimulated.

The proposed well will be tested and potential as a gas well.

Cimarex Energy Co. (Midland)

Eddy County (NM83E)

Sec 34 - T25S - R26E

Hayduke 34 Fed #3

Wellbore #1

Plan: Plan #2

Standard Survey Report

29 March, 2011

Great White Directional Services

Survey Report

Company:	Cimarex Energy Co. (Midland)	Local Co-ordinate Reference:	Well Hayduke 34 Fed #3
Project:	Eddy County (NM83E)	TVD Reference:	WELL @ 3360.0usft (Original Well Elev)
Site:	Sec 34 - T25S - R26E	MD Reference:	WELL @ 3360.0usft (Original Well Elev)
Well:	Hayduke 34 Fed #3	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	EDM 5000.1 Single User Db

Project	Eddy County (NM83E)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Sec 34 - T25S - R26E		
Site Position:	Map	Northings:	396,971.00 usft
From:		Easting:	559,617.80 usft
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 5' 28.821 N
		Longitude:	104° 16' 27.494 W
		Grid Convergence:	0.03 °

Well	Hayduke 34 Fed #3		
Well Position	+N/-S	0.0 usft	Northings:
	+E/-W	0.0 usft	Easting:
Position Uncertainty	0.0 usft	Wellhead Elevation:	0.0 usft
		Latitude:	32° 5' 3.116 N
		Longitude:	104° 16' 22.548 W
		Ground Level:	3,364.0 usft

Wellbore:	Wellbore #1		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF2010	02/21/11	7.93
			Dip Angle
			(°)
			Field Strength
			(nT)
			59.94
			48,484

Design	Plan #2		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth:
			0.0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0.0	0.0	0.0
			Direction
			(°)
			271.19

Survey Tool Program	Date 03/29/11		
From	To	Survey (Wellbore)	Tool Name
(usft)	(usft)		
0.0	13,995.0	Plan #2 (Wellbore #1)	MWD
			Description
			MWD - Standard

Planned Survey										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Vertical	Dogleg	Build	Turn	
Depth	(°)	(°)	Depth	(usft)	(usft)	Section	Rate	Rate	Rate	
(usft)			(usft)			(usft)	(°/100usft)	(°/100usft)	(°/100usft)	
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00	
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00	
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00	
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00	
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00	
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00	

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Site:	Sec 34 - T25S - R26E	MD Reference:	WELL @ 3360.0usft (Original Well Elev)
Well:	Hayduke 34 Fed #3	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	EDM 5000.1 Single User Db

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00	
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00	
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00	

Great White Directional Services

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5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,396.0	0.00	0.00	9,396.0	0.0	0.0	0.0	0.00	0.00	0.00
9,400.0	0.80	271.19	9,400.0	0.0	0.0	0.0	20.03	20.03	0.00
9,500.0	20.83	271.19	9,497.7	0.4	-18.7	18.7	20.03	20.03	0.00

Great White Directional Services

Survey Report

Company:	Cimarex Energy Co. (Midland)	Local Co-ordinate Reference:	Well Hayduke 34 Fed #3
Project:	Eddy County (NM83E)	TVD Reference:	WELL @ 3360.0usft (Original Well Elev)
Site:	Sec 34 - T25S - R26E	MD Reference:	WELL @ 3360.0usft (Original Well Elev)
Well:	Hayduke 34 Fed #3	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	EDM 5000.1 Single User Db

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
9,600.0	40.87	271.19	9,583.1	1.4	-69.7	69.7	20.03	20.03	0.00	
9,700.0	60.90	271.19	9,645.9	3.1	-146.9	146.9	20.03	20.03	0.00	
9,800.0	80.94	271.19	9,678.4	5.0	-240.9	240.9	20.03	20.03	0.00	
9,845.2	90.00	271.19	9,682.0	5.9	-285.9	286.0	20.03	20.03	0.00	
9,900.0	90.00	271.19	9,682.0	7.1	-340.7	340.8	0.00	0.00	0.00	
10,000.0	90.00	271.19	9,682.0	9.2	-440.7	440.8	0.00	0.00	0.00	
10,100.0	90.00	271.19	9,682.0	11.2	-540.6	540.8	0.00	0.00	0.00	
10,200.0	90.00	271.19	9,682.0	13.3	-640.6	640.8	0.00	0.00	0.00	
10,300.0	90.00	271.19	9,682.0	15.4	-740.6	740.8	0.00	0.00	0.00	
10,400.0	90.00	271.19	9,682.0	17.5	-840.6	840.8	0.00	0.00	0.00	
10,500.0	90.00	271.19	9,682.0	19.5	-940.5	940.8	0.00	0.00	0.00	
10,600.0	90.00	271.19	9,682.0	21.6	-1,040.5	1,040.8	0.00	0.00	0.00	
10,700.0	90.00	271.19	9,682.0	23.7	-1,140.5	1,140.8	0.00	0.00	0.00	
10,800.0	90.00	271.19	9,682.0	25.8	-1,240.5	1,240.8	0.00	0.00	0.00	
10,900.0	90.00	271.19	9,682.0	27.8	-1,340.5	1,340.8	0.00	0.00	0.00	
11,000.0	90.00	271.19	9,682.0	29.9	-1,440.4	1,440.8	0.00	0.00	0.00	
11,100.0	90.00	271.19	9,682.0	32.0	-1,540.4	1,540.8	0.00	0.00	0.00	
11,200.0	90.00	271.19	9,682.0	34.1	-1,640.4	1,640.8	0.00	0.00	0.00	
11,300.0	90.00	271.19	9,682.0	36.2	-1,740.4	1,740.8	0.00	0.00	0.00	
11,400.0	90.00	271.19	9,682.0	38.2	-1,840.4	1,840.8	0.00	0.00	0.00	
11,500.0	90.00	271.19	9,682.0	40.3	-1,940.3	1,940.8	0.00	0.00	0.00	
11,600.0	90.00	271.19	9,682.0	42.4	-2,040.3	2,040.8	0.00	0.00	0.00	
11,700.0	90.00	271.19	9,682.0	44.5	-2,140.3	2,140.8	0.00	0.00	0.00	
11,800.0	90.00	271.19	9,682.0	46.5	-2,240.3	2,240.8	0.00	0.00	0.00	
11,900.0	90.00	271.19	9,682.0	48.6	-2,340.2	2,340.8	0.00	0.00	0.00	
12,000.0	90.00	271.19	9,682.0	50.7	-2,440.2	2,440.8	0.00	0.00	0.00	
12,100.0	90.00	271.19	9,682.0	52.8	-2,540.2	2,540.8	0.00	0.00	0.00	
12,200.0	90.00	271.19	9,682.0	54.8	-2,640.2	2,640.8	0.00	0.00	0.00	
12,300.0	90.00	271.19	9,682.0	56.9	-2,740.2	2,740.8	0.00	0.00	0.00	
12,400.0	90.00	271.19	9,682.0	59.0	-2,840.1	2,840.8	0.00	0.00	0.00	
12,500.0	90.00	271.19	9,682.0	61.1	-2,940.1	2,940.8	0.00	0.00	0.00	
12,600.0	90.00	271.19	9,682.0	63.2	-3,040.1	3,040.8	0.00	0.00	0.00	
12,700.0	90.00	271.19	9,682.0	65.2	-3,140.1	3,140.8	0.00	0.00	0.00	
12,800.0	90.00	271.19	9,682.0	67.3	-3,240.1	3,240.8	0.00	0.00	0.00	
12,900.0	90.00	271.19	9,682.0	69.4	-3,340.0	3,340.8	0.00	0.00	0.00	
13,000.0	90.00	271.19	9,682.0	71.5	-3,440.0	3,440.8	0.00	0.00	0.00	
13,100.0	90.00	271.19	9,682.0	73.5	-3,540.0	3,540.8	0.00	0.00	0.00	
13,200.0	90.00	271.19	9,682.0	75.6	-3,640.0	3,640.8	0.00	0.00	0.00	
13,300.0	90.00	271.19	9,682.0	77.7	-3,739.9	3,740.8	0.00	0.00	0.00	
13,400.0	90.00	271.19	9,682.0	79.8	-3,839.9	3,840.8	0.00	0.00	0.00	
13,500.0	90.00	271.19	9,682.0	81.8	-3,939.9	3,940.8	0.00	0.00	0.00	
13,600.0	90.00	271.19	9,682.0	83.9	-4,039.9	4,040.8	0.00	0.00	0.00	
13,700.0	90.00	271.19	9,682.0	86.0	-4,139.9	4,140.8	0.00	0.00	0.00	

Great White Directional Services

Survey Report

Company:	Cimarex Energy Co. (Midland)	Local Co-ordinate Reference:	Well Hayduke 34 Fed #3
Project:	Eddy County (NM83E)	TVD Reference:	WELL @ 3360.0usft (Original Well Elev)
Site:	Sec 34 - T25S - R26E	MD Reference:	WELL @ 3360.0usft (Original Well Elev)
Well:	Hayduke 34 Fed #3	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Plan #2	Database:	EDM 5000.1 Single User Db

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
13,800.0	90.00	271.19	9,682.0	88.1	-4,239.8	4,240.8	0.00	0.00	0.00
13,900.0	90.00	271.19	9,682.0	90.1	-4,339.8	4,340.8	0.00	0.00	0.00
13,995.0	90.00	271.19	9,682.0	92.1	-4,434.8	4,435.8	0.00	0.00	0.00

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
- hit/miss target									
- Shape									
Target #1	0.00	0.00	9,682.0	92.5	-4,439.5	394,466.34	555,605.21	32° 5' 4.053 N	104° 17' 14.152 W
- plan misses target center by 4.7usft at 13995.0usft MD (9682.0 TVD, 92.1 N, -4434.8 E)									
- Point									

Formations						
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)	
8,660.0	8,660.0	Wolfcamp		0.00		
9,260.0	9,260.0	Wolfcamp B		0.00		
9,439.0	9,438.8	Wolfcamp C		0.00		
9,538.0	9,532.2	Wolfcamp D		0.00		

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
9396	9396	0	0	KOP 20.03°/100 DLS @ 271.19° AZI	
9845	9682	6	-286	EOC - 4149.8 hold at 9845.2 MD	
13,995	9682	92	-4435	TD at 13995.0	

Checked By: _____	Approved By: _____	Date: _____
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WELL DETAILS: Hayduke 34 Fed #3



Project Eddy County (NM83E)
Site Sec 34 - T25S - R26E
Well Hayduke 34 Fed #3
Wellbore Wellbore #1
Design Plan #2

+N/-S 0.0 +E/-W 0.0 Northing 394373.80 Easting 560044.70 Latitude 32° 5' 3.116 N Longitude 104° 16' 22.548 W
SHL: 1880' FSL / 200' FEL
BHL: 1980' FSL / 660' FWL



Azimuths to Grid North
Magnetic North: 7 90°
Magnetic Field
Strength: 48483.7nT
Dip Angle: 59.34°
Date: 2011/02/21
Model: IGRF2010

WELLBORE TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting
Hayduke #3	3070.0	92.5	-4439.5	394466.34	555605.21
Target #1	9682.0	92.5	-4439.5	394466.34	555605.21

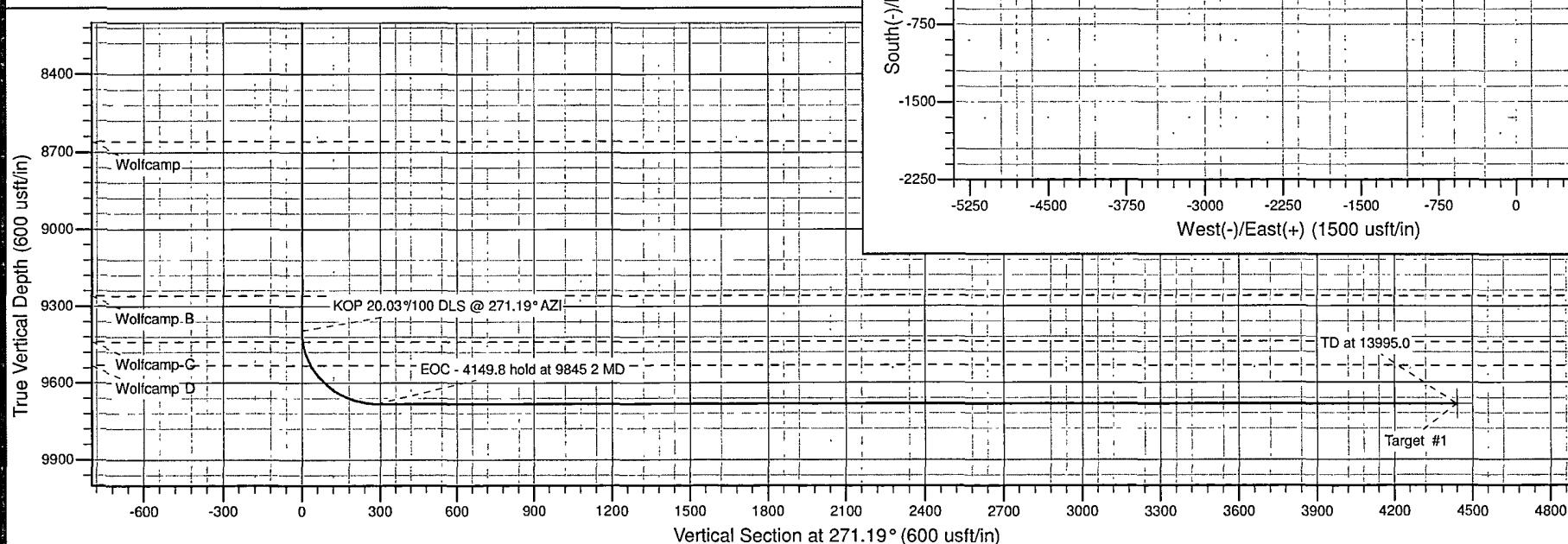
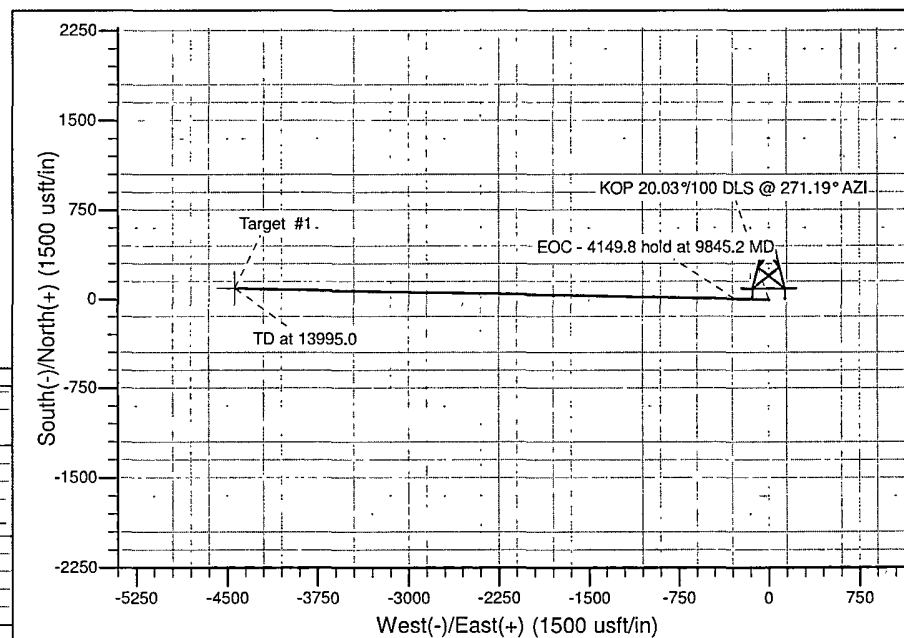
Point

PLAN DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
9396.0	0.00	0.00	9396.0	0.0	0.0	0.00	0.00	0.0
9845.2	90.00	271.19	9682.0	5.9	-285.9	20.03	271.19	286.0
13995.0	90.00	271.19	9682.0	92.1	-4434.8	0.00	0.00	4435.8

ANNOTATIONS

TVD	MD	Inc	Azi	+N/-S	+E/-W	Vsect	Departure	Annotation
9396.0	9396.0	0.00	0.00	0.0	0.0	0.0	0.0	KOP 20.03°/100 DLS @ 271.19° AZI
9682.0	9845.2	90.00	271.19	5.9	-285.9	286.0	286.0	EOC - 4149.8 hold at 9845.2 MD
9682.0	13995.0	90.00	271.19	92.1	-4434.8	4435.8	4435.8	TD at 13995.0



SR & A

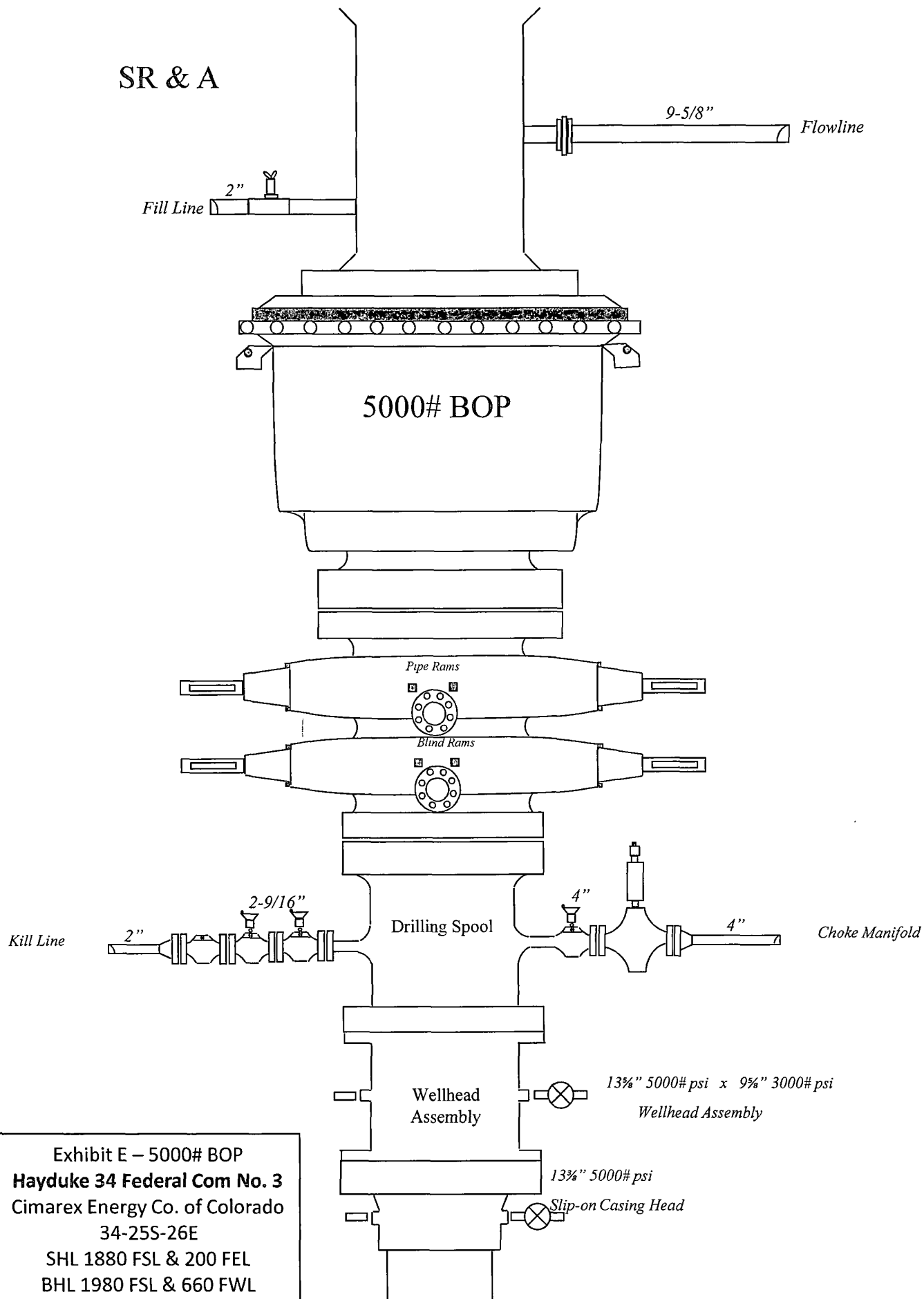
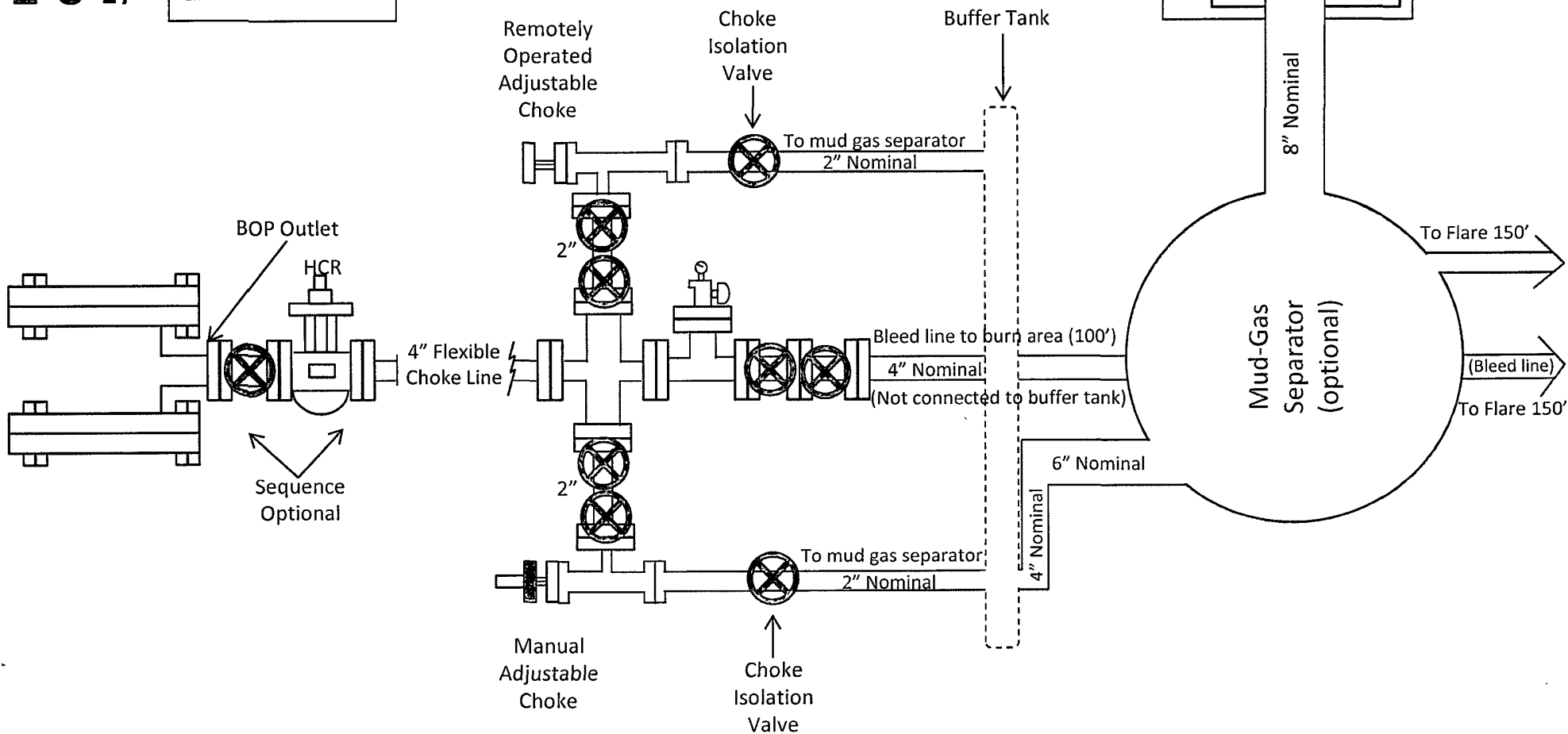
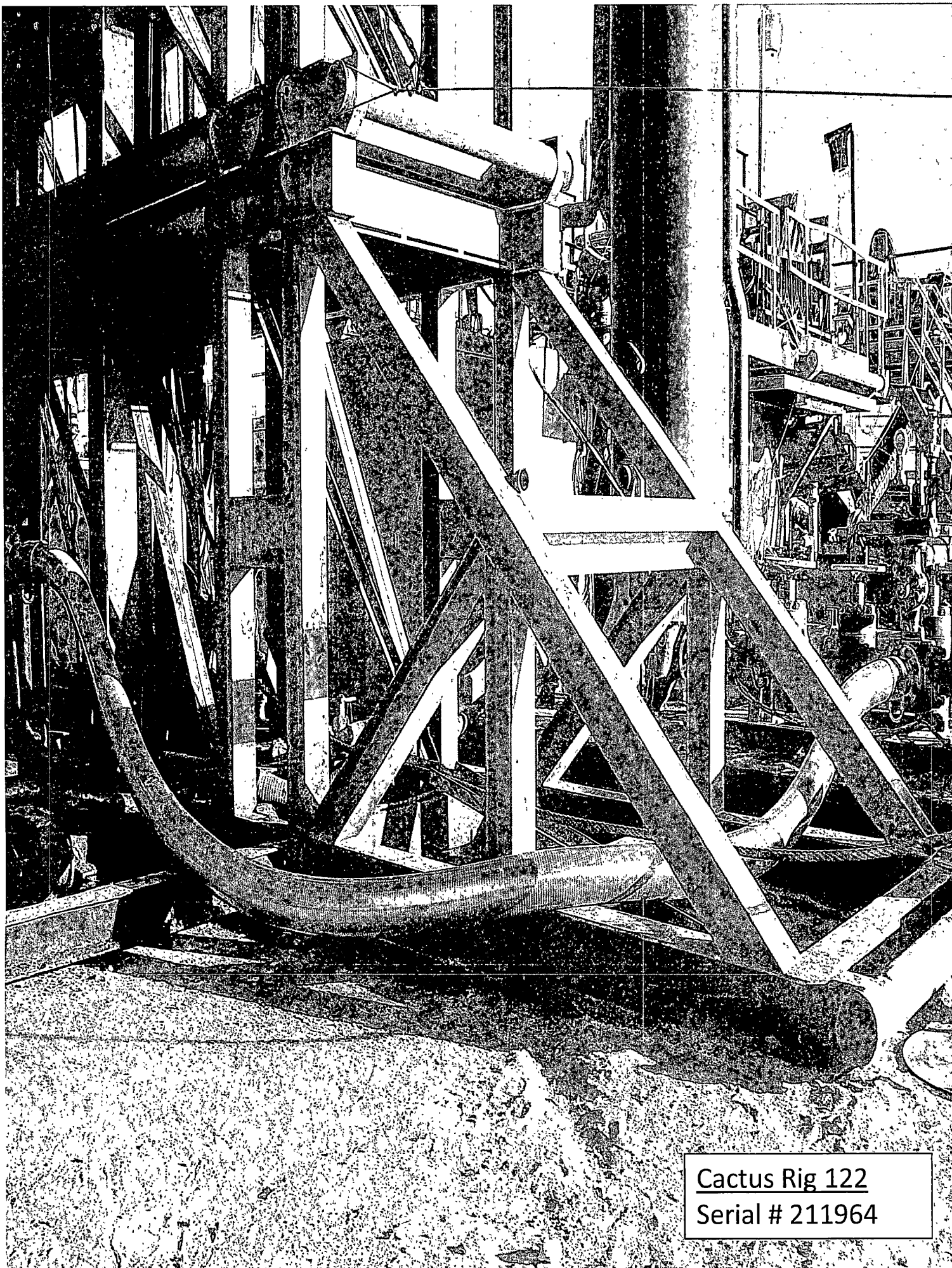


Exhibit E – 5000# BOP
Hayduke 34 Federal Com No. 3
Cimarex Energy Co. of Colorado
34-25S-26E
SHL 1880 FSL & 200 FEL
BHL 1980 FSL & 660 FWL
Eddy County, NM

Drilling Operations Choke Manifold 5M Service

Exhibit E-1 – Choke Manifold Diagram
Hayduke 34 Federal Com No. 3
 Cimarex Energy Co. of Colorado
 34-25S-26E
 SHL 1880 FSL & 200 FEL
 BHL 1980 FSL & 660 FWL
 Eddy County, NM





Cactus Rig 122
Serial # 211964

MIDWEST
HOSE AND SPECIALTY INC.

INTERNAL HYDROSTATIC TEST REPORT			
Customer: CACTUS		P.O. Number: Asset#M4812	
HOSE SPECIFICATIONS			
Type: CHOKER LINE		Length: 35'	
I.D. 4" INCHES		O.D. 8" INCHES	
WORKING PRESSURE 10,000 PSI	TEST PRESSURE 15,000 PSI		BURST PRESSURE PSI
COUPLINGS			
Type of End Fitting 4 1/16 10K FLANGE			
Type of Coupling: SWEDGED		MANUFACTURED BY MIDWEST HOSE & SPECIALTY	
PROCEDURE			
<i>Hose assembly pressure tested with water at ambient temperature.</i>			
TIME HELD AT TEST PRESSURE 15 MIN.		ACTUAL BURST PRESSURE: 0 PSI	
COMMENTS: s/n#O211964 Hose is covered with stainless steel armour cover and wrapped with fire resistant vermiculite coated fiberglass insulation rated for 1500 degrees complete with lifting eyes			
Date: 6/28/2006	Tested By: BOBBY FINK		Approved: MENDI JACKSON



Midwest Hose
& Specialty, Inc.

Specification Sheet Choke & Kill Hose

The Midwest Hose & Specialty Choke & Kill hose is manufactured with only premium components. The reinforcement cables, inner liner and cover are made of the highest quality material to handle the tough drilling applications of today's industry. The end connections are available with API flanges, API male threads, hubs, hammer unions or other special fittings upon request. Hose assembly is manufactured to API 7K. This assembly is wrapped with fire resistant vermiculite coated fiberglass insulation, rated at 2000 degrees with stainless steel armor cover.

Working Pressure:	5,000 or 10,000 psi working pressure
Test Pressure:	10,000 or 15,000 psi test pressure
Reinforcement:	Multiple steel cables
Cover:	Stainless Steel Armor
Inner Tube:	Petroleum resistant, Abrasion resistant
End Fitting:	API flanges, API male threads, threaded or butt weld hammer unions, unbolt and other special connections
Maximum Length:	110 Feet
ID:	2-1/2", 3", 3-1/2", 4"
Operating Temperature:	-22 deg F to +180 deg F (-30 deg C to +82 deg C)

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator CIMAREX ENERGY CO. of COLORADO OGRID # 162683
 38769 Well Name & # HAYDUKE 34 FEDERAL COM #3 H Surface Type (F) (S) (P)
 Location: UL E, Sect 34, Township 25s, RNG 26e, Sub-surface Type (F) (S) (P)
L 24 25s 26e

A. Date C101 rec'd / / C101 reviewed / /

B. 1. Check mark, Information is OK on Forms:

OGRID X BONDING FEA PROP CODE X WELL # X SIGNATURE
 2. Inactive Well list as of: 8/26/11 # wells 1210, # Inactive wells 6

a. District Grant APD but see number of inactive wells:

No Letter required X, Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 8/26/11

a. District Denial because operator needs addition bonding:

No Letter required X; Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required X, Sent Letter to Operator , To Santa Fe

C. C102 YES , NO , Signature

1. Pool SAGE DRAW, WC, EAST, Code 96890

a. Dedicated acreage 320, What Units ITKLMNOP

b. SUR. Location Standard ; Non-Standard Location X

c. Well shares acres: Yes X No , # of wells plus this well # 411

2. 2nd. Operator in same acreage, Yes , No

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes X No

a. Dedicated acreage 320, What Units ITKLMNOP

b. Bottomhole Location Standard X, Non-Standard Bottomhole

4. Downhole Commingle: Yes , No X

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No

D. Blowout Preventer Yes X No

E. H2S Yes X No

F. C144 Pit Registration Yes , No , need

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes X No , NSL #

2. Non-Standard Proration: Yes , No X, NSP #

3. Simultaneous Dedication: Yes , No X, SD #

Number of wells Plus #

4. Injection order Yes , No X; PMX # or WFX #

5. SWD order Yes , NO X; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date / /

API #30-015--39355

8. Reviewers

*Condition of approval
must obtain
NSL*