

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

Form C-101

May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Cimarex Energy Co. of Colorado 5215 N. O'Connor Blvd., Ste. 1500 Irving, TX 75039		² OGRID Number 162683
³ Property Code 37022		³ API Number 30-015-36139
⁵ Property Name Ringer Federal Com		Well No. 007
⁹ Proposed Pool 1 White City; Penn (Gas) 87280		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	4	25S	26E		1120	South	1520	West	Eddy

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code New Well	¹² Well Type Code Gas	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code Private	¹⁵ Ground Level Elevation 3321' GR
¹⁶ Multiple	¹⁷ Proposed Depth 12100'	¹⁸ Formation Morrow	¹⁹ Contractor	²⁰ Spud Date 04-01-08
Depth to Groundwater 75'		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner. Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5"	13.375"	48#	300'	340	0
12.25"	9.625"	32#	2560'	572	0
7.875"	4.5"	11.6#	12100'	1020	2000'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone Describe the blowout prevention program, if any. Use additional sheets if necessary

Please see attached mud, casing, cementing, and BOP details.

Please note that Cimarex Energy Co. of Colorado has an agreement with Murchison Oil & Gas Inc. to drill and operate this well on their acreage.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: Zeno Farris

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Printed name: Zeno Farris

Title:

Title: Manager Operations Administration

Approval Date: FEB 20 2008

Expiration Date: FEB 20 2010

E-mail Address: zfarris@cimarex.com

2010

Date: 01/22/08

Phone: 972-443-6489

Conditions of Approval Attached ☐

District I
1825 N. French Dr. Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, N M 87505

Form C-102

Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 87280	Pool Name WHITE CITY PENN
Property Code	Property Name RINGER FEDERAL COM	Well Number 7
OGRID No. 162683	Operation Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3321

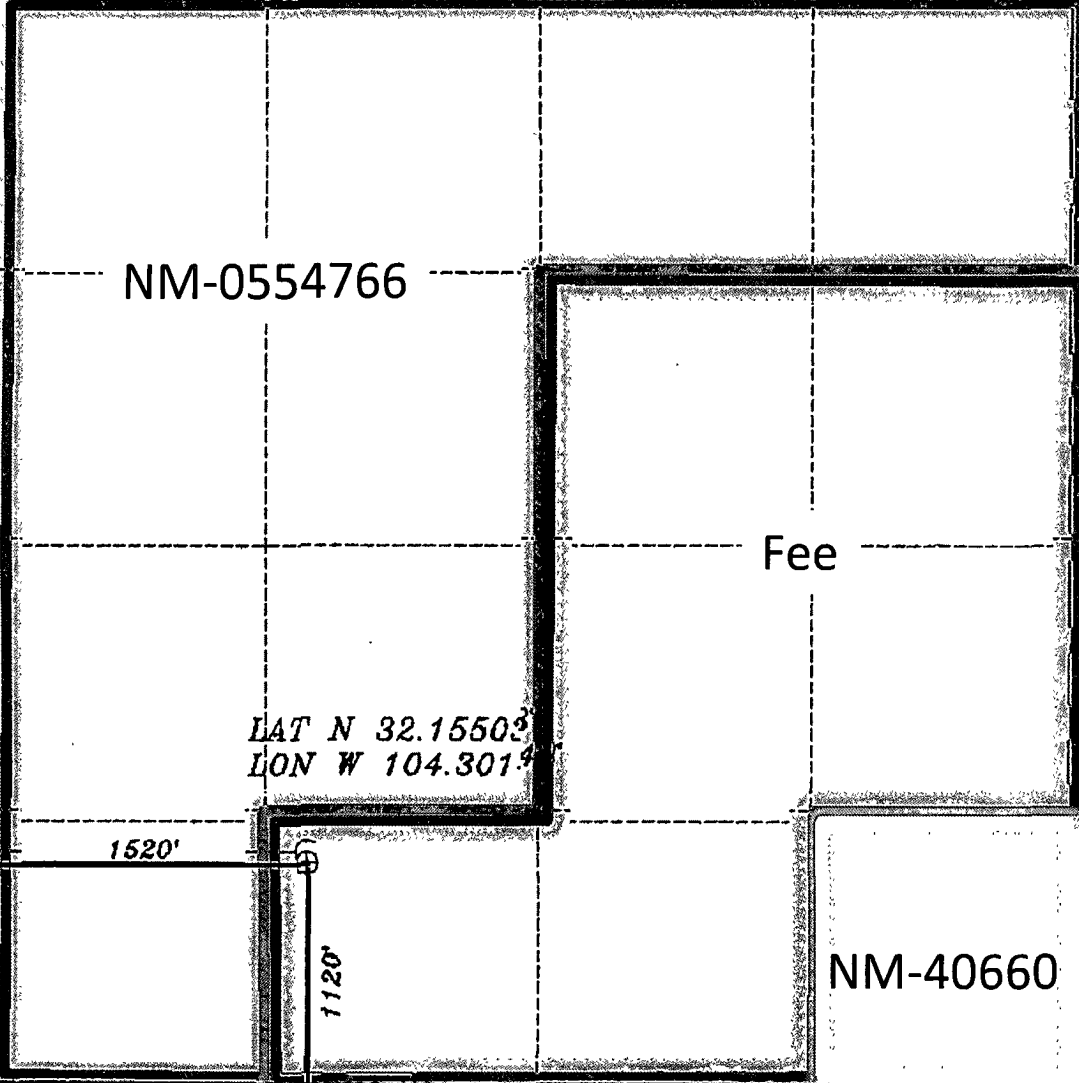
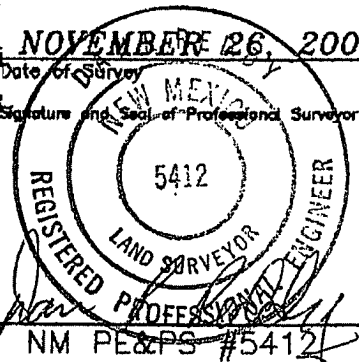
Surface Location

UL or Lot No. N	Section 4	Township 25-S	Range 26-E	Lot Idn.	Feet from the 1120	North/South line SOUTH	Feet from the 1520	East/West line WEST	County EDDY
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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 640	Joint or Infill	Consolidation Code P	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
	Signature <i>Zeno Farris</i>
	Printed Name Zeno Farris
	Title Mgr Operations Admin
Date 01-22-08	SURVEYOR CERTIFICATION 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 KNOWLEDGE AND BELIEF.
	NOVEMBER 26, 2004 Date of Survey
	Signature and Seal of Professional Surveyor
	
	NM PE&PS #5412 Certificate Number

Cimarex Energy Co. of Colorado
Ringer Federal Com No. 2 - Mud, Casing, Cement, & BOP Plan
Unit N , Section 4
1120' FSL & 1520' FWL
Eddy County, NM

Proposed Mud Circulating System:

Depth			Mud Wt	Visc	Fluid Loss	Type Mud
0	to	300	8.4 - 8.6	30-32	May lose circ	Fresh water spud mud
300	to	2,250	10	28-29	May lose circ	Brine Water
2,250	to	12,100	8.4 - 9.4	29-45	NC	Fresh water and brine, use hi-vis sweeps to keep hole clean

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. Mud system monitoring equipment with derrick floor indicators and visual/audio alarms shall be installed and operative prior to drilling into the Wolfcamp formation. This equipment will remain in use until production casing is run and cemented.

Casing & Cementing Program:

Hole Size	Depth			Casing OD	Weight	Thread	Collar	Grade
17-1/2	0	to	300	New 13-3/8	48#	8-R	STC	H-40
12-1/4	0	to	2,250	New 9-5/8	32#	8-R	LTC	J-55
8-3/4	0	to	12,100	New 4-1/2	11.6#	8-R	LTC	P-110

Cementing & Setting Depth:

13-3/8	Surface	Set 300 of 13-3/8 48# H-40 STC <u>Lead:</u> 115 sx Light Premium Plus + 0.125 lb/sk Poly-E-Flake + 1% CaCl (wt 14.2, yld 1.64) <u>Tail:</u> 225 sx Premium Plus + 2% CaCl (wt 14.8, yld 1.43) TOC Surface
9-5/8	Intermediate	Set 2,250 of 9-5/8 32# J-55 LTC <u>Lead:</u> 371 sx Interfill C + 1/4 pps Flocele (wt 11.9, yld 2.45) <u>Tail:</u> 201 sx Premium Plus + 1% CaCl2 (wt 14.8, yld 1.33) TOC Surface

Cimarex Energy Co. of Colorado
Ringer Federal Com No. 2 - Mud, Casing, Cement, & BOP Plan
Unit N Section 4
1120' FSL & 1520' FWL
Eddy County, NM

4-1/2	Production	Set 12,100 of 4-1/2 11.6# P-110 LTC <u>Lead:</u> 650 sx Interfill H + 0.25% HR-7 + 5 lb/sk Gilsonite + 0.25 lb/sk Flocele (wt 11.9, yld 2.47) <u>Tail:</u> 370 sx Super H + 0.5% Halad-344 + 0.4% CFR-3 + 1lbm/sk Salt + 5 lb/sk Gilsonite + 0.125 lb/sk Poly-E-Flake + 0.35% HR-7 (wt 13.2, yld 1.67)
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TOC 2,000

Pressure control Equipment:

Exhibit "E". A 13 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 6000'. 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.

BOP unit will be hydraulically operated. BOP will be nipped up on the 8-5/8" casing and will be 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.



Cimarex Energy Co. of Colorado

5215 N. O'Connor Blvd. ♦ Suite 1500 ♦ Irving, TX 75039 ♦ (972) 401-3111 ♦ Fax (972) 443-6486

Mailing Address: P.O. Box 140907 ♦ Irving, TX 75014-0907

A subsidiary of Cimarex Energy Co. • A NYSE Listed Company • "XEC"

February 15, 2008

New Mexico Oil Conservation Division
1301 West Grand Ave
Artesia, New Mexico 88210
Attn: Mr. Tim Gum

Re: Ringer Federal Com No. 7
Section 4-25S-26E
Eddy County NM

Dear Mr. Gum:

As stated in the 1-22-08 e-filed permit we have an agreement with Murchison Oil to drill and operate the referenced well. This is the 2nd obligation well under our July 7, 2007 farmout agreement with them. The acreage is also under an approved Federal Com agreement and we have been working with the BLM since 1-22-08 to secure access on federal acreage. All provisions of Rule 19.15.3.104(E) (2) have been met and there are no protests concerning the drilling of this well.

At your earliest convenience please cancel Murchison's expired permit and approve our 1-22-08 e-filed permit so we may meet our drilling obligations under our farmout agreement.

If you have any questions or require additional information regarding this issue, please feel free to call the undersigned at 972-443-6489.

Sincerely,

A handwritten signature in cursive script that reads "Zeno Farris". The signature is written in dark ink on a white background.

Zeno Farris
Manager, Operations Administration