

Submit 3 Copies To Appropriate District
 Office
 District I
 1625 N. French Dr. Hobbs, NM 87240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., 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-103
 May 27, 2004

RECEIVED
 MAY 10 2010
 HOBBSD

CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-26749
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. OG-4765
7. Lease Name or Unit Agreement Name: PENNZOIL STATE
8. Well Number 002
9. OGRID Number 162683
10. Pool name or Wildcat LOVINGTON; UPPER PENN, NORTHEAST

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 CIMAREX ENERGY CO. OF COLORADO ATTN: ZENO FARRIS

3. Address of Operator
 600 N. MARIENFELD, SUITE 600, MIDLAND, TEXAS 79701

4. Well Location
 Unit Letter B : 660 feet from the NORTH line and 1,980 feet from the EAST line
 Section 18 Township 16S Range 37E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,879' - GR

Pit or Below-grade Tank Application or Closure

Pit type STEEL Depth to Groundwater _____ Distance from nearest fresh water well * _____ Distance from nearest surface water * _____
 Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material * NONE WITHIN 1,000'

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- TAG EXISTING 4-1/2" CIBP + CMT. @ +/-11,315'; CIRC. WELL W/ PXA MUD.
- PUMP A 25 SX. CMT. PLUG @ 10,010'-9,910' (T/PENN); PUMP A 25 SX. CMT. PLUG @ 6,505'-6,405' (T/GLORIETA).
- PERF. X ATTEMPT TO SQZ. A 40 SX. CMT. PLUG @ 5,080'-4,980' (T/SA); WOC X TAG TOP OF CMT. PLUG.
- CUT X PULL 4-1/2" CSG. @ +/-4,282'; PUMP A 50 SX. CMT. PLUG @ 4,335'-4,235'; WOC X TAG CMT. PLUG.
- PUMP A 40 SX. CMT. PLUG @ 3,300'-3,200' (B/SALT); TAG; PUMP A 40 SX. CMT. PLUG @ 2,195'-2,095' (T/ANHY.)
- PUMP A 40 SX. CMT. PLUG @ 445'-345' (13-3/8"CSG.SHOE).
- MIX X CIRC. TO SURFACE A 25 SX. CMT. PLUG @ 63'-3'.
- DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CASINGS X INSTALL DRY HOLE MARKER.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any 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

SIGNATURE David A. Eyer TITLE AGENT DATE 03/05/10
 E-mail address: deyler@milagro-res.com
 Type or print name DAVID A. EYLER Telephone No. (432) 687.3033

For State Use Only
 APPROVED BY [Signature] TITLE STAFF MGR DATE 3-11-10
 Conditions of Approval, if any:

THE OIL CONSERVATION DIVISION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS

PLUGGING & ABANDONMENT WORKSHEET

(3 STRING CSNG)

30-025-26749

OPERATOR CIMAREX ENERGY Co. of Co.
 LEASENAME PENNSYLVANIA STATE #002
 UNIT LETTER "B" WELL # 002
 SECT 18 TWN 16S RNG 37E
 FROM 660 NSL 1980 EWL
 TD: 11,530' FORMATION @ TD PENN.
 PBTD: 11,315' FORMATION @ PBTD

13-3/8"
@ 392'
 TOC SURF.

8-5/8"
@ 4,282'
 TOC SURF.

	SIZE	SET @	TOC	TOC DETERMINED BY
SURFACE	13 3/8	392'	SURF.	CIRC. 400SXS
INTMED 1	8 5/8	4,282'	SURF.	CIRC. 1400SXS
INTMED 2				
PROD	4 1/2	11,530'	6,600'	T.S.
	SIZE	TOP	BOT	TOC DETERMINED BY
LINER 1				
LINER 2				
CUT & PULL @			TOP - BOTTOM	
INTMED 1			PERFS	11407' - 11458'
INTMED 2			OPENHOLE	-
PROD				

*** REQUIRED PLUGS DISTRICT I**

RUSTLER (ANHYD)	2,144'	*
YATES		
QUEEN		
GRAYBURG		
SAN ANDRES	5,030'	
CAPTAN REEF		*
DELAWARE		
BELL CANYON		
CHERRY CANYON		
BIRSHY CANYON		
BONE SPRING		
GLORIBTA	6,455'	*
BLINEBRY		
TUBB	7,725'	
ORINCARD		
ABO		
WC		
PENN	9,960'	
STRAWN	11,311'	
ATOKA		
MORROW		
BOSS		
DEVONIAN		

PLUG	TYPE PLUG	SACKS CMNT	DEPTH
EXAMPLES			
PLUG#1	OH	25 SXS	9850'
PLUG#2	SHOE	50 SXS	8700'-8800'
PLUG#3	CIBP/55'		5300'
PLUG#3	CIBP	25 SXS	5300'
PLUG#4	STUB	50 SXS	4600'-4700'
PLUG#6	RETNR SQZ	200 SXS	400
PLUG#7	SURF	10 SXS	0-10'
PLUG#1			
PLUG#2			
PLUG#3			
PLUG#4			
PLUG#5			
PLUG#6			
PLUG#7			
PLUG#8			
PLUG#9			
PLUG#10			
PLUG#			
PLUG#			
PLUG#			

CIBP @ 11,390'
 W/35'
 11,407' - 58'
 4-1/2"
 @ 11,530'
 TOC 6,600'

TD 11,530'