

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

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

|                                                                                                              |                           |                               |
|--------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------|
| 1. Operator Name and Address<br>CIMAREX ENERGY CO. OF COLORADO<br>5215 N. O'CONNOR BLVD.<br>IRVING, TX 75039 |                           | 2. OGRID Number<br>162683     |
|                                                                                                              |                           | 3. API Number<br>30-025-39157 |
| 4. Property Code<br>300553                                                                                   | 5. Property Name<br>SMITH | 6. Well No.<br>003            |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| O        | 25      | 19S      | 33E   | O       | 585       | S        | 1650      | E        | LEA    |

**8. Pool Information**

|                           |      |
|---------------------------|------|
| APACHE RIDGE, BONE SPRING | 2260 |
|---------------------------|------|

**Additional Well Information**

|                                                                                                                                                                                                                                                                                                                                               |                             |                                        |                           |                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------|---------------------------|------------------------------------|
| 9. Work Type<br>New Well                                                                                                                                                                                                                                                                                                                      | 10. Well Type<br>OIL        | 11. Cable/Rotary                       | 12. Lease Type<br>Private | 13. Ground Level Elevation<br>3615 |
| 14. Multiple<br>N                                                                                                                                                                                                                                                                                                                             | 15. Proposed Depth<br>12600 | 16. Formation<br>Bone Spring           | 17. Contractor            | 18. Spud Date<br>10/15/2008        |
| Depth to Ground water                                                                                                                                                                                                                                                                                                                         |                             | Distance from nearest fresh water well |                           | Distance to nearest surface water  |
| Pit: Liner: Synthetic <input type="checkbox"/> mils thick    Clay <input type="checkbox"/> Pit Volume:      bbls    Drilling Method:<br>Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> |                             |                                        |                           |                                    |

**19. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5      | 13.375      | 48               | 1400          | 1055            | 0             |
| Int1 | 11        | 8.625       | 32               | 5380          | 1000            | 0             |
| Prod | 7.875     | 5.5         | 17               | 12600         | 1100            | 5180          |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**Proposed Blowout Prevention Program**

| Type      | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 5000             | 5000          | Cameron      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                           |                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br><b>I further certify that the drilling pit will be constructed according to NMOCD guidelines</b> <input type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .<br>Printed Name: Electronically filed by Zeno Farris<br>Title: Manager Operations Administration<br>Email Address: zfarris@magnumhunter.com<br>Date: 9/17/2008      Phone: 972-443-6489 | OIL CONSERVATION DIVISION |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Approved By: Paul Kautz   |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Title: Geologist          |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Approved Date: 9/18/2008  | Expiration Date: 9/18/2010 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                           |                            |

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
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**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 82214

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |                                                    |                                          |
|-------------------------------|----------------------------------------------------|------------------------------------------|
| 1. API Number<br>30-025-39157 | 2. Pool Code<br>2260                               | 3. Pool Name<br>APACHE RIDGE,BONE SPRING |
| 4. Property Code<br>300553    | 5. Property Name<br>SMITH                          | 6. Well No.<br>003                       |
| 7. OGRID No.<br>162683        | 8. Operator Name<br>CIMAREX ENERGY CO. OF COLORADO | 9. Elevation<br>3615                     |

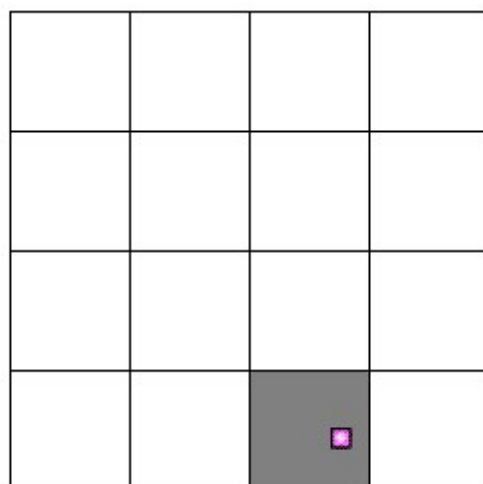
**10. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| O        | 25      | 19S      | 33E   |         | 585       | S        | 1650      | E        | LEA    |

**11. Bottom Hole Location If Different From Surface**

| UL - Lot                     | Section | Township            | Range | Lot Idn                | Feet From | N/S Line      | Feet From | E/W Line | County |
|------------------------------|---------|---------------------|-------|------------------------|-----------|---------------|-----------|----------|--------|
| 12. Dedicated Acres<br>40.00 |         | 13. Joint or Infill |       | 14. Consolidation Code |           | 15. Order No. |           |          |        |

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



**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Zeno Farris  
 Title: Manager Operations Administration  
 Date: 9/17/2008

**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 belief.*

Surveyed By: Gary L. Jones  
 Date of Survey: 9/9/2008  
 Certificate Number: 7977

## Permit Comments

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: SMITH #003

API: 30-025-39157

| Created By | Comment                                                                                                                                                                                                                                                                                                                                                                                                      | Comment Date |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| NKRUEGER   | In accordance with NMAC 19.15.3.118 C. (1) governing the determination of the hydrogen sulfide concentration in gaseous mixtures in each of its operations, Cimarex Energy Co. does not anticipate that there will be enough H2S from the surface to the Bone Spring formation to meet the OCD's minimum requirements for the submission of a contingency plan for the drilling and completion of this test. | 9/17/2008    |
| NKRUEGER   | C-144 will be emailed to Donna Mull.                                                                                                                                                                                                                                                                                                                                                                         | 9/17/2008    |
| DMULL      | OCD received form C-144 "Pit Registration". OCD Permit Number P1-00471.                                                                                                                                                                                                                                                                                                                                      | 9/18/2008    |