State of New Mexico

Form C-101 Permit 132371

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

| 200000000000000000000000000000000000000 | Name and Address Y CO. OF COLORADO | OGRID Number 162683 | |
|---|---------------------------------------|-------------------------------|--|
| 600 N. I | Marienfeld St d, TX 79701 | 3. API Number 30-015-39083 | |
| 4. Property Code | 5. Property Name | 6. Well No. | |
| 38644 | TEXAS 32 FEE | 002 | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| C | 32 | 188 | 26E | C | 330 | N | 2310 | W | EDDY |

8. Pool Information

| PENASCO DRAW;SA-YESO (ASSOC) 50 |
|---------------------------------|
|---------------------------------|

Additional Well Information

| | 901 | | Idditional II CH Intol. | muvion | | |
|------------------------------------|-------------------|----------------|--------------------------------|---|------------------------------------|--|
| 9. Work Type New Well | 10. Weil T OIL | 'ype | 11. Cable Rotary | 12. Lesse Type Private | 13. Ground Level Elevation 3412 | |
| 14. Multiple N | 15. Proposed 3000 | 234 - 126 | 16. Formation Blinebry | 17. Contractor | 18. Spud Date | |
| Depth to Ground | water | | Distance from nearest fresh wa | ter well | Distance to nearest surface water | |
| Liner: Synthetic Closed Loop Syste | | ils thick Clay | Pit Volume: bb | bls Drifting Method: Fresh Water X Brine I | Diesel/Oil-based Gas/Air | |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 14.75 | 9.625 | 36 | 950 | 1200 | 0 |
| Prod | 8.75 | 5.5 | 17 | 3000 | 640 | 0 |

Casing/Cement Program: Additional Comments

Complete details to be sent to OCD office via email.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 3000 | 3000 | Cameran |

| 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 | OIL CONSERVATION DIVISION | | | | |
|--|---|--|--|--|--|
| NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan . | Approved By: Randy Dade | | | | |
| Printed Name: Electronically filed by Zeno Farris | Title: District Supervisor | | | | |
| Title: Manager Operations Administration | Approved Date: 5/31/2011 Expiration Date: 5/31/2013 | | | | |
| Email Address: zfarris@cimarex.com | 1 January and a second | | | | |
| Date: 5/31/2011 Phone: 432-620-1936 | Conditions of Approval Attached | | | | |

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

Form C-102 Permit 132371

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number | 2. Pool Code | 3.1 | Pool Name | | |
|------------------|------------------|--------------------|-------------|--|--|
| 30-015-39083 | 50270 | 50270 PENASCO DRAW | | | |
| 4. Property Code | 5. Property Name | | 6. Well No. | | |
| 38644 | TEXAS | TEXAS 32 FEE | | | |
| 7. OGRID No. | 8. Operato | 9. Elevation | | | |
| 162683 | CIMAREX ENERGY (| 3412 | | | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| C | 32 | 188 | 26E | | 330 | N | 2310 | W | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot | Idn | Feet From | N/S Lin | ne | Feet From | E/W Line | County |
|---------------|-------------|----------|-----------------|-----|-----|-------------------|---------|----|-----------|---------------|--------|
| 0.500 100 100 | cated Acres | 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: 5/31/2011

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: 5/9/2011 Certificate Number: 7977

Permit Comments

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: TEXAS 32 FEE #002

API: 30-015-39083

| Created By | Comment | Comment Date | | |
|------------|------------------------------------|--------------|--|--|
| NKRUEGER | C-144 to be emailed to OCD office. | 5/31/2011 | | |
| Artesia | Land P/P | 5/31/2011 | | |

Permit Conditions of Approval Operator: CIMAREX ENERGY CO. OF COLORADO , 162683 Well: TEXAS 32 FEE #002

API: 30-015-39083

| OCD Reviewer | Condition |
|-----------------|--|
| Artesia | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |