

**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 CIMAREX ENERGY CO. 15 EAST 5TH STREET TULSA, OK 74103		2. OGRID Number 215099
		3. API Number 30-025-38691
4. Property Code 35793	5. Property Name CAUDILL WEST 17 FEE	6. Well No. 002

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	17	15S	36E	H	2300	N	500	E	LEA

**8. Pool Information**

CAUDILL;PERMO UPPER PENN	10830
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3913
14. Multiple N	15. Proposed Depth 12441	16. Formation Wolfcamp	17. Contractor	18. Spud Date 2/1/2008
Depth to Ground water 76		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 14000 bbls Drilling Method: 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	600	600	0
Int1	12.25	9.625	40	4500	1900	0
Prod	8.75	5.5	17	10950	2000	4000
Liner1	4.75	2.875	6.5	12441	0	0

**Casing/Cement Program: Additional Comments**

PEAK Completions Systems iso-packer, iso-port liner will be used and will not require cementing. KOP for the lateral will be 10430.' Projected TD at BHL is MD 12441,' TVD 10597.'

**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. <b>I further certify that the drilling pit will be constructed according to NMOCB guidelines</b> <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 1/14/2008	Expiration Date: 1/14/2009
	Conditions of Approval Attached	

Printed Name: Electronically filed by Sharon LaValley	
Title: Manager	
Email Address: slavalley@cimarex.com	
Date: 1/9/2008	Phone: 918-295-1673

**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

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Form C-102  
 Permit 67206

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-38691	2. Pool Code 10830	3. Pool Name CAUDILL,PERMO UPPER PENN
4. Property Code 35793	5. Property Name CAUDILL WEST 17 FEE	6. Well No. 002
7. OGRID No. 215099	8. Operator Name CIMAREX ENERGY CO.	9. Elevation 3913

**10. Surface Location**

UL - Lot H	Section 17	Township 15S	Range 36E	Lot Idn	Feet From 2300	N/S Line N	Feet From 500	E/W Line E	County LEA
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**11. Bottom Hole Location If Different From Surface**

UL - Lot A	Section 17	Township 15S	Range 36E	Lot Idn A	Feet From 400	N/S Line N	Feet From 400	E/W Line E	County LEA
12. Dedicated Acres 80.00		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**

	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Sharon LaValley          Title: Manager          Date: 1/9/2008</p>
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Gary Jones          Date of Survey: 12/18/2007          Certificate Number: 7977</p>

## Permit Comments

Operator: CIMAREX ENERGY CO. , 215099

Well: CAUDILL WEST 17 FEE #002

API: 30-025-38691

Created By	Comment	Comment Date
ZFARRIS1	Well has proposed SHL in UL H and BHL in UL A. Therefore, it will require an E2NE 80-acre stand-up spacing unit.	1/9/2008
ZFARRIS1	C-102, C-144, and Preliminary Directional Survey will be emailed to Donna Mull.	1/9/2008
ZFARRIS1	Cimarex Energy Co. does not anticipate that there will be enough H2S from the surface to the Wolfcamp formation to meet the OCD's minimum requirements for the submission of a contingency plan for this test.	1/9/2008
ZFARRIS1	OCD received for C-144 "Pit Registration", C-102 "Acreage Dedication Plat", and Proposal on Directional drill survey.	1/9/2008
DMULL	OCD cannot allow H to be part of the well number. The well number will be 002.	1/10/2008

# Permit Conditions of Approval

Operator: CIMAREX ENERGY CO. , 215099

Well: CAUDILL WEST 17 FEE #002

API: 30-025-38691

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, D.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines