

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 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**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
August 1, 2011

Permit 181038

**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>202 S. Cheyenne Ave, Ste 1000<br>Tulsa, OK 74103 |                                    | 2. OGRID Number<br>162683     |
|  |                                    | 3. API Number<br>30-025-41663 |
| 4. Property Code<br>300545   | 5. Property Name<br>RED HILLS UNIT | 6. Well No.<br>014H           |

**7. Surface Location**

|               |               |                 |              |         |                  |               |                  |               |               |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|---------------|
| UL - Lot<br>A | Section<br>32 | Township<br>25S | Range<br>33E | Lot Idn | Feet From<br>160 | N/S Line<br>N | Feet From<br>895 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|---------------|

**8. Proposed Bottom Hole Location**

|               |               |                 |              |              |                  |               |                   |               |               |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot<br>P | Section<br>32 | Township<br>25S | Range<br>33E | Lot Idn<br>P | Feet From<br>330 | N/S Line<br>S | Feet From<br>1310 | E/W Line<br>E | County<br>Lea |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|---------------|

**9. Pool Information**

|                                     |       |
|-------------------------------------|-------|
| WC-025 G-06 S253329D;UPPER BONE SPR | 97994 |
|-------------------------------------|-------|

**Additional Well Information**

|                           |                             |  |                         |                                    |
|---------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>3395 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>14479 | 18. Formation<br>Bone Spring           | 19. Contractor          | 20. Spud Date<br>5/13/2014         |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

We will be using a closed-loop system in lieu of lined pits

**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5      | 13.375      | 48               | 1045          | 800             | 0             |
| Int1 | 12.25     | 9.625       | 40               | 4925          | 1430            | 0             |
| Prod | 8.75      | 5.5         | 17               | 14479         | 1977            | 4725          |

**Casing/Cement Program: Additional Comments**

After setting surface casing & intermediate casing drill 8-3/4 hole to KOP @ 9398 & KO drilling 8-3/4 lateral to TD @ 14479 MD, 9875 TVD. Run 5-1/2 casing from 0-TD & cement.

**22. Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Double Ram | 2000             | 2000          | Cameran      |
| Double Ram | 3000             | 3000          | Cameran      |

|   |   |
|---|---|
| <p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br/>I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable.</p> <p>Signature:</p> <p>Printed Name: Electronically filed by TERRI STATHEM</p> <p>Title: Coord. Regulatory Compl</p> <p>Email Address: tstathem@cimarex.com</p> <p>Date: 2/5/2014</p> | <p><b>OIL CONSERVATION DIVISION</b></p> <p>Approved By: Paul Kautz</p> <p>Title: Geologist</p> <p>Approved Date: 2/14/2014</p> <p>Expiration Date: 2/14/2016</p> <p>Conditions of Approval Attached</p> |
|---|---|

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**DISTRICT II**  
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 Phone (505) 746-1253 Fax (505) 746-9726

**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone (505) 894-6178 Fax (505) 894-6170

**DISTRICT IV**  
 1220 S. St. Francis Dr., Santa Fe, NM 87505  
 Phone (505) 476-3450 Fax (505) 476-3452

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised August 1, 2011

Submit one copy to appropriate  
 District Office

**OIL CONSERVATION DIVISION**  
 1220 South St. Francis Dr.  
 Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

|                              |  |   |
|------------------------------|--|---|
| API Number<br><b>30-025-</b> | Pool Code                                  | Pool Name<br><b>Bone Spring Wildcat</b> |
| Property Code                | Property Name<br><b>RED HILLS UNIT</b>     | Well Number<br><b>13H</b>               |
| GRID No.<br><b>162683</b>    | Operator Name<br><b>CIMAREX ENERGY CO.</b> | Elevation<br><b>3403'</b>               |

Surface Location

| UL or lot No. | Section   | Township    | Range       | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>B</b>      | <b>32</b> | <b>25 S</b> | <b>33 E</b> |         | <b>160</b>    | <b>NORTH</b>     | <b>2200</b>   | <b>EAST</b>    | <b>LEA</b> |

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     |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|------------|
| <b>0</b>      | <b>32</b> | <b>25 S</b> | <b>33 E</b> |         | <b>330</b>    | <b>SOUTH</b>     | <b>2200</b>   | <b>EAST</b>    | <b>LEA</b> |

|                               |                 |                    |           |
|-------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres<br><b>160</b> | Joint or Infill | Consolidation Code | 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

**SURFACE LOCATION**  
 Lat - N 32°05'37.98"  
 Long - W 103°35'34.40"  
 NMSPCE- N 398675.7  
 E 770638.2  
 (NAD-83)

**PROPOSED BOTTOM HOLE LOCATION**  
 Lat - N 32°04'50.58"  
 Long - W 103°35'34.42"  
 NMSPCE- N 393885.9  
 E 770669.8  
 (NAD-83)

**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 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.*

*Paula Brunson* 1/24/2014  
 Signature Date  
**Paula Brunson**  
 Printed Name  
**pbrunson@cimarex.com**  
 Email Address

**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.*

NOVEMBER 14 2013  
 Date Surveyed  
 Signature of Professional Surveyor  
 Certified Professional Surveyor 7977  
 Basin Surveyors

0' 500' 1000' 1500' 2000'  
 SCALE: 1" = 1000'  
 WO Num.: 29686

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Form APD Comments

Permit 181038

**PERMIT COMMENTS**

|   |                               |
|---|-------------------------------|
| Operator Name and Address:<br>CIMAREX ENERGY CO. OF COLORADO [162683]<br>202 S. Cheyenne Ave, Ste 1000<br>Tulsa, OK 74103 | API Number:<br>30-025-41663   |
|   | Well:<br>RED HILLS UNIT #014H |

| Created By | Comment  | Comment Date |
|------------|----------|--------------|
| pkautz     | Land s/S | 2/6/2014     |

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**PERMIT CONDITIONS OF APPROVAL**

|   |                               |
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|   | Well:<br>RED HILLS UNIT #014H |

| OCD Reviewer | Condition  |
|--------------|--|
| pkautz       | Will require a directional survey with the C-104   |
| pkautz       | Will require administrative order for non-standard location  |
| pkautz       | Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines  |
| pkautz       | 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 |
| pkautz       | 1) SURFACE & INTERNEMATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --  |
| pkautz       | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water   |