

RM

AUG 21 2009

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No
LC-028784-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Keely 26 Federal No. 2

9. API Well No.
30-015-35491

10. Field and Pool, or Exploratory Area
Grayburg; Atoka

11. County or Parish, State
Eddy County, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Cimarex Energy Co. of Colorado

3a. Address
5215 N. O'Connor Blvd., Ste. 1500; Irving, TX 75039

3b. Phone No. (include area code)
972-401-3111

4. Location of Well (Footage, Sec, T, R., M., or Survey Description)
1150' FSL & 1825' FEL
26-17S-29E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Drill out plug above</u>	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Morrow and DHC Atoka &</u>	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>Morrow</u>	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, included estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)
Atoka at 10658-84.' Morrow @ 10919-11076' with a CIBP @ 10900' w/ 35' cmt.

- 12.12.07 Broke circulation with air foam unit. TIH, tagged cement at 10,890'. Pumped 2 hrs and broke circulation. Tagged cement at 10,890' drilled to CIPB. Drilled on CIBP for 1.5 hrs. Circulated clean. Pulled above perfs. SWISD.
- 12.13.07 SITP 1800 psi. SICP 2000 psi. Wait on blow down tank and hooked up. Bled off casing pressure to 400 psi in 2.5 hrs. TIH and tagged plug. Broke circulation in 1.5 hrs. Drilled on CIBP 4 hrs made 1.5". Total drilled 4". Circulated well clean. POH above perfs. Shut in. Casing venting to tank with supervision.
- 12.14.07 Casing flowing on 2" choke with 95 psi pressure. RIH tagged CIBP and finished drilling plug. CIH to 11,147', dropped ball and pumped off bit sub. Pulled up and put EOT at 10,893'. Strip hanger thru BOP. ND BOP. NU Tree. RD Air Foam Unit. RU to swab. Made 9 swab runs, fluid level staying at 3900'. SWISD.
- 12.15.07 Opened well up to a 48/64" choke. Made 4 swab runs, kicked well off. Put well to sales at 1:30 PM. Well flowing to sales.

Tbg Detail: 2 3/8" L-80 w/ SN to 10893.'

DHC Application is in progress at NMOCD.

ACCEPTED FOR RECORD
AUG 19 2009
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Natalie Krueger Title Regulatory

Signature Natalie Krueger Date August 5, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of Approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I
1625 N French Drive, Hobbs, NM 88240

District II
1301 W Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-107A
Revised June 10, 2003

APPLICATION TYPE
 Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Cimarex Energy Co. of Colorado
Operator

5215 N. O'Connor Blvd., Suite 1500; Irving, TX 75039
Address

Keely 26 Federal
Lease

002
Well No.

O-26-17S-29E
Unit Letter-Section-Township-Range

Eddy
County

OGRID No. 162683 Property Code _____ API No. 30-015-35491 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Grayburg; Atoka (Gas)		Sand Tank; Morrow (Gas)
Pool Code	84872		77720
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10658-10684'		10919-11076'
Method of Production (Flowing or Artificial Lift)	Flowing		
Bottomhole Pressure (Note. Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Within 150% of bottom perms		
Oil Gravity or Gas BTU (Degree API or Gas BTU)	48.5, 1.117		48.1, 1.272
Producing, Shut-In or New Zone	Producing		Shut-in
Date and Oil/Gas/Water Rates of Last Production. (Note For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 11-15-07 Rates: 1 / 1100 / 17	Date: Rates:	Date: 07-11-07 Rates: 0 / 174 / 0
Fixed Allocation Percentage	Oil Gas	Oil Gas	Oil Gas

Bureau of Land Management
RECEIVED

AUG 10 2009

Carlsbad Field Office
Carlsbad, N.M.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1501 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35491	Pool Code 84872	Pool Name Grayburg; Atoka (Gas)
Property Code	Property Name KEELY "26" FEDERAL	Well Number 2
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3564'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	26	17 S	29 E		1150	SOUTH	1825	EAST	EDDY

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
0	26	17 S	29 E		1185	SOUTH	1828	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320	Y		

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>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p><u>Zeno Farris</u> August 5, 2009 Signature</p> <p>Zeno Farris Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>FEBRUARY 07, 2007 Date Surveyed</p> <p><u>Gary L. Jones</u> Signature of Professional Surveyor</p> <p> Professional Surveyor</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

LC-028784-B

Keely 26 Fed #2

Lot - N32°48'05.2"
Long - W104°02'34.1"
NMSPC - N 665416.331
E 630608.846
(NAD-83)

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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State Lease - 4 Copies
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35491	Pool Code 77720	Pool Name Sand Tank; Morrow (Gas)
Property Code	Property Name KEELY "26" FEDERAL	Well Number 2
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3564'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	26	17 S	29 E		1150	SOUTH	1825	EAST	EDDY

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0	26	17 S	29 E		1185	SOUTH	1828	EAST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code	Order No.
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<p>LC-028784-B</p> <p>Keely 26 Fed #2</p> <p>3567.5' 3566.0'</p> <p>BHL</p> <p>1828'</p> <p>1825'</p> <p>SHL</p> <p>3561.4' 3567.4'</p> <p>1185'</p> <p>1150'</p> <p>Lat - N32°48'05.2" Long - W104°02'34.1" NMSPC - N 665416.331 E 630608.846 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p>Zeno Farris August 5, 2009 Signature</p> <p>Zeno Farris Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>FEBRUARY 07, 2007 Date Surveyed</p> <p>Gary L. Jones Signature Professional Surveyor</p> <p>7777 758</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

5215 N. O'Connor Blvd
Suite 1500
Irving, TX 75039
972-401-3111 (phone)
972-443-6486 (fax)

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Cimarex Energy Co. of Colorado

August 7, 2009

New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Attn: Mr. Will V. Jones

RE: Keely 26 Federal No. 2
30-015-35491
C107A – Application for DHC

Dear Mr. Jones,

This well was completed in the Morrow in early 07-07 and flow-tested. Then, later in 07-07, a CIBP was placed over the Morrow and Atoka was added. The well produced solely from the Atoka until 12-07, when the CIBP was drilled out and the well was DHC. This occurred without our knowledge, so that is why this DHC application was not sent in a timely manner. We apologize for that oversight.

In addition, I am sending revised copies of the 3160-4 and C-104 for both zones, since the ones filed originally had several mistakes.

If you have any questions or need further information, please call me at 972-443-6489.

Sincerely,

Natalie Krueger
Regulatory Analyst

C.C. Artesia OCD Office

nkrueger@cimarex.com