

District I
1625 N. French Dr., 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

Form C-144
June 1, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Cimatex Energy Co Telephone: 972-443-6489 e-mail address: corsey.rogers@aol.com
Address: 2075 mesa, Carlsbad, NM
Facility or well name: Caudill North 4 Fee well API #: 30-085-37781 U/L or Qtr/Qtr M Sec 4 T 15s R 36E
County: Lea Latitude 330228.00 Longitude 1031855.90 NAD: 1927 1983
Surface Owner: Federal State Private Indian

Pit	Below-grade tank	
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume _____ bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) <u>50 feet or more, but less than 100 feet</u> (10 points) 100 feet or more (0 points)	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	<u>Yes</u> (20 points) No (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <u>1000 feet or more</u> (0 points)	
	Ranking Score (Total Points)	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility CRJ. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:
Closed and finished on 3-11-08
Hauled off

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 4/20/2008
Printed Name/Title: Dorsey Duly Sr. Signature: [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title: _____ Signature: [Signature] ENVIRONMENTAL ENGINEER Date: 4.22.08

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

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No
Type of action: Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: Cimarex Energy Co. Telephone: 972-443-6489 e-mail address: zfarris@cimarex.com
Address: P.O. Box 140907, Irving, Tx 75014-0907
Facility or well name: Caudill North 4 Fee No. 1 API #: 30-025-37781 U/L or Qtr/Qtr-M Sec 4 T15S R36E
County: Lea Latitude 330228.0N Longitude 1031855.9W NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume _____ bbl Closed system cuttings to be hauled _____	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) <u>50 feet or more, but less than 100 feet</u> (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	<u>Yes</u> (20 points) No (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <u>1000 feet or more</u> (0 points)
	Ranking Score (Total Points) 30

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite offsite If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .
Date: 04-05-06

Printed Name/Title Zeno Farris Manager Operations Administration Signature Zeno Farris

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: _____
Date: APR 06 2006

Printed Name/Title PETROLEUM ENGINEER Signature _____



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8808 Camp Bowie Blvd. West, Suite 180

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E-Mail: lab@traceanalysis.com

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915•585•3443 FAX 915•585•4944

432•689•6301 FAX 432•689•6313

817•201•5260 FAX 817•560•4336

Analytical and Quality Control Report

Dorsey Rogers
Cimarex
207 S Mesa
Carlsbad, NM, 88220

Report Date: March 4, 2008

Work Order: 8022702



Project Location: Sec. 4, T15S, R36E, Lea Co.
Project Name: Caudill N 4 #1
Project Number: API 30-025-37781

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
151760	NW-1 @ 2'	soil	2008-02-25	13:00	2008-02-26
151761	NE-2 @ 2.5'	soil	2008-02-25	13:15	2008-02-26
151762	C-3 @ 2.5'	soil	2008-02-25	13:30	2008-02-26
151763	SW-4 @ 2'	soil	2008-02-25	13:45	2008-02-26
151764	SE-5 @ 2'	soil	2008-02-25	14:00	2008-02-26
151765	BG-6 @ 0-6'	soil	2008-02-25	14:15	2008-02-26

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 5 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.


Dr. Blair Leftwich, Director

Standard Flags

B - The sample contains less than ten times the concentration found in the method blank.

Case Narrative

Samples for project Caudill N 4 #1 were received by TraceAnalysis, Inc. on 2008-02-26 and assigned to work order 8022702. Samples for work order 8022702 were received intact at a temperature of 3.0 deg C.

Samples were analyzed for the following tests using their respective methods.

<u>Test</u>	<u>Method</u>
Chloride (Titration)	SM 4500-Cl B

Results for these samples are reported on a wet weight basis unless data package indicates otherwise.

A matrix spike (MS) and matrix spike duplicate (MSD) sample is chosen at random from each preparation batch. The MS and MSD will indicate if a site specific matrix problem is occurring, however, it may not pertain to the samples for work order 8022702 since the sample was chosen at random. Therefore, the validity of the analytical data reported has been determined by the laboratory control sample (LCS) and the method blank (MB). These quality control measures are performed with each preparation batch to ensure data integrity.

All other exceptions associated with this report have been footnoted on the appropriate analytical page to assist in general data comprehension. Please contact the laboratory directly if there are any questions regarding this project.

Report Date: March 4, 2008
API 30-025-37781

Work Order: 8022702
Caudill N 4 #1

Page Number: 3 of 5
Sec. 4, T15S, R36E, Lea Co.

Analytical Report

Sample: 151760 - NW-1 @ 2'

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 46184	Date Analyzed: 2008-03-04	Analyzed By: MM
Prep Batch: 39743	Sample Preparation: 2008-03-03	Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		70.5	mg/Kg	10	5.00

Sample: 151761 - NE-2 @ 2.5'

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 46184	Date Analyzed: 2008-03-04	Analyzed By: MM
Prep Batch: 39743	Sample Preparation: 2008-03-03	Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		64.7	mg/Kg	10	5.00

Sample: 151762 - C-3 @ 2.5'

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 46184	Date Analyzed: 2008-03-04	Analyzed By: MM
Prep Batch: 39743	Sample Preparation: 2008-03-03	Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		79.2	mg/Kg	10	5.00

Sample: 151763 - SW-4 @ 2'

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 46184	Date Analyzed: 2008-03-04	Analyzed By: MM
Prep Batch: 39743	Sample Preparation: 2008-03-03	Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		194	mg/Kg	10	5.00

Sample: 151764 - SE-5 @ 2'

Analysis: Chloride (Titration)	Analytical Method: SM 4500-Cl B	Prep Method: N/A
QC Batch: 46184	Date Analyzed: 2008-03-04	Analyzed By: MM
Prep Batch: 39743	Sample Preparation: 2008-03-03	Prepared By: MM

Report Date: March 4, 2008
API 30-025-37781

Work Order: 8022702
Caudill N 4 #1

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Sec. 4, T15S, R36E, Lea. Co.

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		98.4	mg/Kg	10	5.00

Sample: 151785 - BG-6 @ 0-6'

Analysis: Chloride (Titration) Analytical Method: SM 4500-Cl B Prep Method: N/A
QC Batch: 46184 Date Analyzed: 2008-03-04 Analyzed By: MM
Prep Batch: 39743 Sample Preparation: 2008-03-03 Prepared By: MM

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		<50.0	mg/Kg	10	5.00

Method Blank (1) QC Batch: 46184

QC Batch: 46184 Date Analyzed: 2008-03-04 Analyzed By: MM
Prep Batch: 39743 QC Preparation: 2008-03-03 Prepared By: MM

Parameter	Flag	MDL Result	Units	RL
Chloride		<3.25	mg/Kg	5

Laboratory Control Spike (LCS-1)

QC Batch: 46184 Date Analyzed: 2008-03-04 Analyzed By: MM
Prep Batch: 39743 QC Preparation: 2008-03-03 Prepared By: MM

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	101	mg/Kg	1	100	<3.25	101	96.8 - 103

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec. Limit	RPD	RPD Limit	
Chloride	102	mg/Kg	1	100	<3.25	102	96.8 - 103	1	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Matrix Spike (MS-1) Spiked Sample: 151760

QC Batch: 46184 Date Analyzed: 2008-03-04 Analyzed By: MM
Prep Batch: 39743 QC Preparation: 2008-03-03 Prepared By: MM

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	606	mg/Kg	10	500	70.463	107	76.4 - 123

Report Date: March 4, 2008
API 30-025-37781

Work Order: 8022702
Caudill N 4 #1

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Sec. 4, T15S, R36E, Lea Co.

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec. Rec.	Rec. Limit	RPD	RPD Limit
Chloride	570	mg/Kg	10	500	70.463	100	76.4 - 123	6	20

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Standard (ICV-1)

QC Batch: 46184

Date Analyzed: 2008-03-04

Analyzed By: MM

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	99.4	99	85 - 115	2008-03-04

Standard (CCV-1)

QC Batch: 46184

Date Analyzed: 2008-03-04

Analyzed By: MM

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	100	100	100	85 - 115	2008-03-04

TraceAnalysis, Inc.

email: lab@traceanalysis.com

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Ft. Worth, Texas 76116
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LAB Order ID #

8022102

Page of

Company Name: **5102 Bush Street**
Address: **PO Box 1502, Fort Worth, TX, 76116**
Project Name: **Energy Condell 14#1**
Project Location (including state): **WLM Sec. 4, T15S, R30E 100 Co.**
Project # **30-085-37741**
Voice to: **Energy Condell 14#1**
E-mail: **crish@traceanalysis.com**

ANALYSIS REQUEST
(Circle or Specify Method No.)

FIELD CODE	# CONTAINERS	Volume / Amount	MATRIX				PRESERVATIVE METHOD				SAMPLING		DATE	TIME	REMARKS
			WATER	SOIL	AIR	SLUDGE	HCl	HNO ₃	H ₂ SO ₄	NaOH	ICE	NONE			
NW-1 @ 2'	1	4oz	X							X			1/20	1:00	
NW-2 @ 2.5'	1									X			1/19	1:30	
E-3 @ 2.5'	1									X			1/15	1:45	
Swy @ 2'	1									X			2/10	2:00	
SE-5 @ 2'	1									X			2/15	2:15	
BE-6 @ 0-4"	1									X					

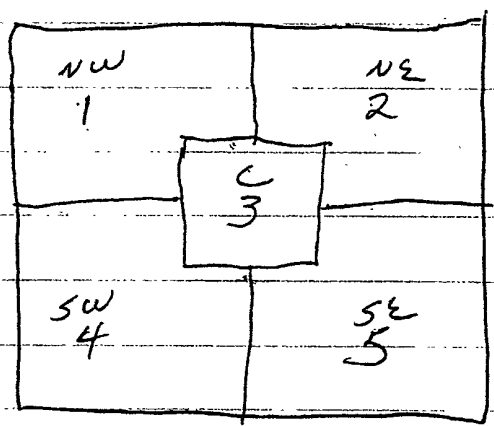
Company: **Trace Analysis** Date: **2/26/08** Time: **11:05**
 Received by: **[Signature]** Date: **2/26/08** Time: **11:05**
 Company: **Trace Analysis** Date: **2/26/08** Time: **11:05**
 Received by: **[Signature]** Date: **2/26/08** Time: **11:05**

REMARKS:
 Dry Weight Basis Required
 TRP Report Required
 Check if Special Reporting Limits Are Needed
5-DAY TR
Needs result by Tues. 3/4/08
per env. 9/10 @ 2/27/08

Identical of samples constitutes agreement to Terms and Conditions listed on reverse side of C.O.C.
 ORIGINAL COPY

CIMARRON
 CAUDILL NORTH 4 FEE #1
 UL-M-SEC 4, T15S, R36E
 APL # 30-025-37781

6-BG



- ²⁶ NW-1-33°-02'-28.9"-N-103°-18'-58.6"-W — 80 ppm
- ¹² NE-2-33°-02'-28.9"-N-103°-18'-58.0"-W — 110 ppm
- ³⁰ C-3-33°-02'-28.6"-N-103°-18'-58.3"-W — 70 ppm
- ⁴⁵ SW-4-33°-02'-28.4"-N-103°-18'-58.6"-W — 140 ppm
- ¹⁰ SE-5-33°-02'-28.3"-N-103°-18'-57.9"-W — 100 ppm
- ⁵ BG-6-33°-02'-29.2"-N-103°-18'-59.4"-W — < 50 ppm

