State of New Mexico

Form C-101 Permit 31577

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

MILICATIONION	AT THE ATTOM TO RELIGHT TO DRIBE, RE-EVILLE, DELL'EV, TECOBACK, OR ADD A ZONE							
1.	Operator Name and Address	2. OGRID Number						
CI	215099							
1	5 EAST 5TH STREET TULSA , OK 74103	3. API Number						
	10L3A, OK 74103							
4. Property Code	5. Property Name	6. Well No.						
34887	CAUDILL SOUTH 21 FEE	002						

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	21	15S	36E	L	2000	S	940	W	LEA

8. Pool Information

CAUDILL:PERMO UPPER PENN 10830

Additional Well Information

	563			resortedez			(Tel	
9. Work Type New Well	20025	ell Type IL	11. Cable/Rotary		12. Lease Type Private	13. Ground Level Elevation 3906		
14. Mültiple N	15. Prop	15. Proposed Depth		16. Formatio Wolfcamp		17. Contractor	18. Spud Date 7/25/2006	
Depth to Ground water 70			Distance from nearest fresh water well			ii ii	Distance to nearest surface water	
ht: Liner: Synthetic Closed Loop Syste	m 🗙	mils thick	Clay	Pit Volume:		rilling Method: resh Water Brine	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

					_	
Туре	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	4750	2000	0
Prod	8.75	7	26	10975	2400	4500
Liner1	6.125	4.5	11.6		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 10476'. Projected TD at lateral start is 10667' (TVD) and 10783' (MD) and at lateral end (BHL) is BHL is 10617' (TVD) and 12216' (MD).

Proposed Blowout Prevention Program

	Troposed Element	coloring to Proper		
Туре	Working Pressure	Test Pressure	Manufacturer	7
DoubleRam	SOOO	5000	Cameran	

of my knowledge and belief.	given above is true and complete to the best pit will be constructed according to	OIL CONSERVATION DIVISION			
NMOCD guidelines 🗐 a general OCD-approved plan 🗀	permit , or an (attached) alternative	Approved By: Paul Kautz			
Printed Name: Electronically	filed by Sharon LaValley	Title: Geologist			
Title: Manager		Approved Date: 6/8/2006	Expiration Date: 6/8/2007		
Email Address: slavalley@cir	narex.com				
Date: 6/7/2006	Phone: 918-295-1673	Conditions of Approval Atta	ached		

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

<u>District III</u> 1000 Rio Brazos Rd., Azzec, NIM 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 31577

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

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

4.737					
1. API Number	2. Pool Code	3. P	ool Name		
30-025-37925	10830	MO UPPER PENN			
4. Property Code	5. Property Name		6. Well No.		
34887	CAUDILL SOU	002			
7. OGRID No.	8. Operator	9. Elevation			
215099	CIMAREX ENERGY CO. 3906				

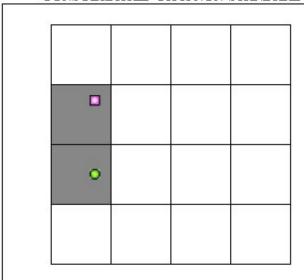
10. Surface Location

Š	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	L	21	15S	36E		2000	S	940	w	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idin	Feet From	N/S Line	Feet From	E/W Line	County
E	21	15S	36E	E	1650	N	940	W	LEA
1020111029	cated Acres	13. 3	oint 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: Sharon LaValley

Title: Manager Date: 6/7/2006

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 Jones
Date of Survey: 5/23/2006
Certificate Number: 7977

Permit Comments

Operator: CIMAREX ENERGY CO., 215099
Well: CAUDILL SOUTH 21 FEE #002

API: 30-025-37925

Created By	Comment	Comment Date
ZFARRIS1	H2S Statement and C-144 will be emailed to Donna Mull.	6/6/2006
ZFARRIS1	Directional Plan will be emailed to Donna Mull.	6/7/2006
ZFARRIS1	Cimarex's calculated H2S ROE of 27' at 100 PPM and 12' at 500 PPM does not meet the OCD's minimum requirements for submission of an H2S Contingency Plan.	6/7/2006
ZFARRIS1	Due to lateral length, spacing will be 80 acres (2 40 acre spacings).	6/7/2006
DMULL	C-144 Pit Registration was mailed in. Also proposed Bottomhole information was mailed in. See well file.	6/8/2006

Permit Conditions of Approval

Operator: CIMAREX ENERGY CO., 215099
Well: CAUDILL SOUTH 21 FEE #002

API: 30-025-37925

OCD Reviewer	Condition
IDKAUTZ	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