State of New Mexico

Form C-101 Permit 42656

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

,,					
Operator Name and Address	2. OGRID Number				
CIMAREX ENERGY CO. OF COLORADO					
	3. API Number				
IKVINO, IA 75055	30-015-35263				
5. Property Name	6. Well No.				
NEO STATE COM	001				
	Operator Name and Address ENERGY CO. OF COLORADO 5 N. O'CONNOR BLVD. IRVING, TX 75039 5. Property Name				

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	32	25S	26E	D	660	N	760	W	EDDY

8. Pool Information

COTTONWOOD DRAW; MORROW (G) 97377

Additional Well Information

	961		THUMWOITH ITCE	IIIIOIIIIIIIIIII		THE STATE OF THE S	
9. Work Type New Well	9 999	Well Type GAS	11. Cable/Rotary	13	2. Lease Type State	13. Ground Level Elevation 3421	
14. Montiple N	15. P	roposed Depth	16. Formatio Morrow	n	17. Contractor	18. Spud Date 1/1/2007	
	round water		Distance from neares	t fresh water well		Distance to nearest surface water	
Pit: Liner: Synth Closed Loop		mils thick	Clay Pit Volume:	bbls Drilling : Fresh W		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	250	220	0
Int1	12.25	9.625	40	2750	775	0
Prod	8.75	5.5	17	12600	1120	1310

Casing/Cement Program: Additional Comments

Complete mud, casing and BOP info will be emailed to Bryan Arrant.

Proposed Blowout Prevention Program

Troposea Diomode Free Habit Free Transfer									
Туре	Working Pressure	Test Pressure	Manufacturer	l					
DoubleRam	5000	5000	Cameran						

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Bryan Arrant				
Printed Name: Electronically filed by Zeno Farris	Title: Geologist				
Title: Manager Operations Administration	Approved Date: 12/4/2006 Expiration Date: 12/4/2007				
Email Address: zfarris@magnumhunter.com					
Date: 12/1/2006 Phone: 972-443-6489	Conditions of Approval Attached				

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

<u>District II</u>

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

State of New Mexico

Form C-102 Permit 42656

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

4.7.7					
1. API Number	2. Pool Code	Pool Name			
30-015-35263	97377 COTTONWOOD DRAW; MORROW (
4. Property Code	5. Prope	6. Well No.			
36171	NEO STA	NEO STATE COM			
7. OGRID No.	8. Operat	8. Operator Name			
162683	CIMAREX ENERGY CO. OF COLORADO 3421				

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	32	25S	26E		660	N	760	w	EDDY

11. Bottom Hole Location If Different From Surface

	22. Devices and Develops at Description of the Control of the Cont											
UL - Lot	Section	То	wnship	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
0.500.000	cated Acres		13. J	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: Zeno Farris

Title: Manager Operations Administration

Date: 12/1/2006

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: 10/27/2006 Certificate Number: 7977

Permit Comments

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683 Well: NEO STATE COM #001

API: 30-015-35263

Created By	Comment	Comment Date
NKRUEGER	H2S Statement will be emailed to Bryan Arrant.	12/1/2006
NKRUEGER	C-144 will be emailed to Tim Gum.	12/1/2006

Permit Conditions of Approval Operator: CIMAREX ENERGY CO. OF COLORADO , 162683 Well: NEO STATE COM #001

API: 30-015-35263

OCD Reviewer	Condition
BArrant	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
BArrant	As noted, surface hole to be drilled with fresh water mud.
BArrant	Operator to follow "Practices for Oil and Gas Drilling and Operations in Cave & Karst Areas" set forth in Appendix 3 from the BLM.