### State of New Mexico

#### Form C-101 Permit 116150

## 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

| CIMAREX ENERG    | Name and Address<br>Y CO. OF COLORADO | 2. OGRID Number<br>162683     |  |  |
|------------------|---------------------------------------|-------------------------------|--|--|
|                  | TH STREET<br>, OK 74103               | 3. API Number<br>30-025-39798 |  |  |
| 4. Property Code | 5. Property Name                      | 6. Wett No.                   |  |  |
| 38206            | JG STATE                              | 004                           |  |  |

### 7. Surface Location

|   | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| 4 | M        | 16      | 17S      | 32E   | M       | 990       | S        | 990       | W        | LEA    |

### 8. Pool Information

| MALJAMAR: YESO, WEST 44 | 44500 |
|-------------------------|-------|
|-------------------------|-------|

### Additional Well Information

| 9. Work Type                            | 10. Well Type | 11. Cable/Rotary        | 12. Lesse Type                               | 13. Ground Level Elevation        |  |  |
|---|---------------|-------------------------|--|-----------------------------------|--|--|
| New Well                                | OIL           |                         | State  | 4036                              |  |  |
| 14. Multiple 15. Proposed Dep           |               | 16. Formation           | 18. Spud Date                                |                                   |  |  |
| N 7100                                  |               | Blinebry                | 7/15/2010                                    |                                   |  |  |
| Depth to Ground                         | water         | Distance from nearest f | resh water well                              | Distance to nearest surface water |  |  |
| Pit: Liner: Synthetic Closed Loop Syste | mils thick    | Clay Pit Volume:        | bbls Drilling Method:<br>Fresh Water X Brine | Diesel/Oil-based Gas/Air          |  |  |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 16        | 11.75       | 42               | 775           | 550             | 0             |
| Int1 | 11        | 8.625       | 24               | 2150          | 600             | 0             |
| Prod | 7.875     | 5.5         | 17               | 7100          | 900             | 0             |

### Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

| Type      | Working Pressure | Test Pressure | Manufacturer | ] |
|-----------|------------------|---------------|--------------|---|
| DoubleRam | 5000             | 5000          | Cameran      | 7 |

| I hereby certify that the information given above is true and complete to the best<br>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: Paul Kautz         |                            |  |  |  |
| Printed Name: Electronically filed by Zeno Farris   | Title: Geologist                |                            |  |  |  |
| Title: Manager Operations Administration  | Approved Date: 6/21/2010        | Expiration Date: 6/21/2012 |  |  |  |
| Email Address: zfarris@magnumhunter.com   |                                 |                            |  |  |  |
| Date: 6/17/2010 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

District II

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

## Energy, Minerals and Natural Resources

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

### WELL LOCATION AND ACREAGE DEDICATION PLAT

| 111              | LLL LOCATION AND ACIA | AGE DEDICATION I | LAI          |
|------------------|-----------------------|------------------|--------------|
| 1. API Number    | 2. Pool Code          | 3. F             | ool Name     |
| 30-025-39798     | 44500                 | R;YESO, WEST     |              |
| 4. Property Code | 5. Property Name      |                  | 6. Well No.  |
| 38206            | JG STA                | ΓE               | 004          |
| 7. OGRID No.     | 8. Operator 1         | Name             | 9. Elevation |
| 162683           | CIMAREX ENERGY CO     | OF COLORADO      | 4036         |

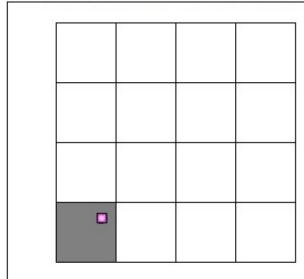
### 10. Surface Location

| ò | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
|   | M        | 16      | 17S      | 32E   | 1.      | 990       | S        | 990       | W        | LEA    |

### 11. Bottom Hole Location If Different From Surface

|                |             |          | · Dottom        |       |     | MILTON IN DI      |       |     | III Surruce |               |        |
|----------------|-------------|----------|-----------------|-------|-----|-------------------|-------|-----|-------------|---------------|--------|
| UL - Lot       | Section     | Township | Range           | Lot 1 | Idn | Feet From         | N/S L | ine | Feet From   | E/W Line      | County |
| V.1121.0019370 | cated Acres | 13       | Joint 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

Form C-102

Permit 116150

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: 6/17/2010

#### 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 L. Jones Date of Survey: 6/9/2010 Certificate Number: 7977

# **Permit Comments**

Operator: CIMAREX ENERGY CO. OF COLORADO, 162683

Well: JG STATE #004 API: 30-025-39798

| Created<br>By | Comment  | Comment<br>Date |
|---------------|--|-----------------|
| NKRUEGER      | Cimarex Energy Co. of Colorado does not anticipate that there will be enough H2S from the<br>surface to the Blinebry formation to meet the OCD's minimum requirements for the<br>submission of a contingency plan for this test. | 6/17/2010       |
| NKRUEGER      | C-144 will be emailed to Hobbs OCD.  | 6/17/2010       |

# Permit Conditions of Approval

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683 Well: JG STATE #004

API: 30-025-39798

| OCD<br>Reviewer | Condition  |
|-----------------|--|
| 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 |