

1. Operator Name and Address CIMAREX ENERGY CO. OF COLORADO 600 N. Marienfeld St Midland, TX 79701		2. OGRID Number 162683
		3. API Number 30-015-38294
4. Property Code 38395	5. Property Name WEST SHUGART 32 STATE COM	6. Well No. 001

UL - Lot D	Section 32	Township 18S	Range 31E	Lot Idn D	Feet From 330	N/S Line N	Feet From 990	E/W Line W	County EDDY
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HACKEBERRY; BONE SPRING, NORTH	97056
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3570
14. Multiple N	15. Proposed Depth 13297	16. Formation Bone Spring	17. Contractor	18. Spud Date 12/15/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit:	Liner: Synthetic <input type="checkbox"/>	mils thick	Clay <input type="checkbox"/> Pit Volume:	bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> Closed Loop System <input type="checkbox"/>

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	550	620	0
Surf	17.5	13.375	48	550	620	0
Int1	12.25	9.625	40	4200	895	0
Int1	12.25	9.625	40	4200	895	0
Prod	8.75	5.5	17	13297	2450	4000
Prod	8.75	5.5	17	13297	2450	4000

Drill 8.75" to pilot hole TD @ 9000 and log. Set 270 sx cmt plug to 8455 and dress off. Kick off 8.75" lateral @ 8515 and drill to TD @ 13297 MD, 8890 TVD. Run 5.5" casing and cement. Complete details to be emailed to OCD.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Cameran
DoubleRam	5000	5000	Cameran

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

Form C-102
 Permit 123532

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-38294	2. Pool Code 97056	3. Pool Name HACKEBERRY; BONE SPRING, NORTH
4. Property Code 38395	5. Property Name WEST SHUGART 32 STATE COM	6. Well No. 001
7. OGRID No. 162683	8. Operator Name CIMAREX ENERGY CO. OF COLORADO	9. Elevation 3570

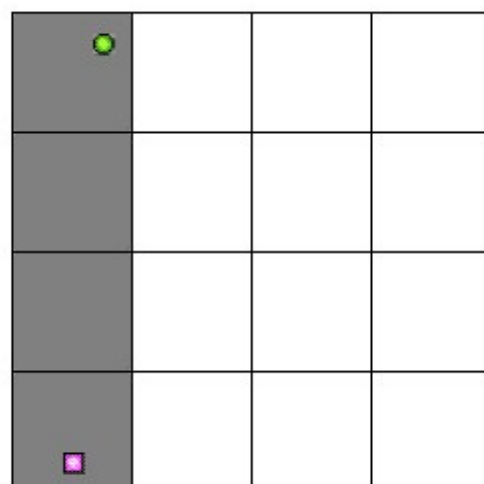
10. Surface Location

UL - Lot D	Section 32	Township 18S	Range 31E	Lot Idn	Feet From 330	N/S Line N	Feet From 990	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 32	Township 18S	Range 31E	Lot Idn M	Feet From 330	N/S Line S	Feet From 660	E/W Line W	County EDDY
12. Dedicated Acres 160.00		13. Joint or Infill		14. Consolidation Code Communitization		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: 11/23/2010

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: 9/20/2010
 Certificate Number: 7977

Permit Comments

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: WEST SHUGART 32 STATE COM #001

API: 30-015-38294

Created By	Comment	Comment Date
NKRUEGER	Drilling plan, C-144, C-102, preliminary directional plan, and H2S survey to be emailed to OCD.	11/23/2010

Permit Conditions of Approval

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: WEST SHUGART 32 STATE COM #001

API: 30-015-38294

OCD Reviewer	Condition
Artesia	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