

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 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-101
 August 1, 2011
 Permit 139724

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|-------------------------------------|-------------------------------|
| 1. Operator Name and Address CIMAREX ENERGY CO. OF COLORADO 600 N. Marienfeld St Midland, TX 79701 | | 2. OGRID Number 162683 |
| | | 3. API Number 30-025-40353 |
| 4. Property Code 38816 | 5. Property Name ADAMS STATE COM | 6. Well No. 004H |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| I | 6 | 21S | 33E | I | 2310 | S | 710 | E | LEA |

8. Pool Information

| | |
|---------------------|-------|
| WILDCAT;BONE SPRING | 96403 |
|---------------------|-------|

Additional Well Information

| | | | | |
|--------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3790 |
| 14. Multiple N | 15. Proposed Depth 18628 | 16. Formation Bone Spring | 17. Contractor | 18. Spud Date 11/30/2011 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|--------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 48 | 1500 | 1455 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 4800 | 1585 | 0 |
| Prod | 8.75 | 7 | 26 | 17552 | 990 | 0 |
| Liner1 | 6.125 | 4.5 | 17 | 18628 | 640 | 0 |

Casing/Cement Program: Additional Comments

After setting surface and intermediate casing, drill 8.75" hole to KOP 11200' and kickoff and drill 8.75" lateral to 11669' TVD/17552 MD & set 7" csg, drill 6.125" hole to TD 11700' TVD/18628' MD & set 4.5" liner from 11000-18628'.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| 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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Zeno Farris Title: Manager Operations Administration Email Address: zfarris@cimarex.com Date: 11/7/2011 | OIL CONSERVATION DIVISION | |
| | Approved By: Paul Kautz | |
| | Title: Geologist | |
| | Approved Date: 12/7/2011 | Expiration Date: 12/7/2013 |
| | Phone: 432-620-1936 | Conditions of Approval Attached |

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
1501 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1600 Rio Brazos Rd., Ateeq, NM 87410

DISTRICT IV
1826 N. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 16, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

| | | |
|---------------|--------------------------------|----------------------|
| API Number | Pool Code | Pool Name |
| | 96403 | Wildcat; Bone Spring |
| Property Code | Property Name | Well Number |
| 38816 | ADAMS STATE COM | 4H |
| OGRID No. | Operator Name | Blvation |
| 162683 | CIMAREX ENERGY CO. OF COLORADO | 3790' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I | 6 | 21 S | 33 E | | 2310 | SOUTH | 710 | EAST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P | 7 | 21 S | 33 E | | 330 | SOUTH | 660 | EAST | LEA |

| | | | |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
| 240 | | | |

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

SURFACE LOCATION
Lot - N 32°30'25.21"
Long - W 103°36'19.78"
NMSPC - N 548843.8
E 765711.0
(NAD-83)

PROPOSED BOTTOM HOLE LOCATION
Lot - N 32°29'15.43"
Long - W 103°36'19.13"
NMSPC - N 541891.0
E 765816.1
(NAD-83)

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 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 state.

Terry Stathem 11/7/11
Signature Date
Terry Stathem
Printed Name
tstathem@cimarex.com
Email Address

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.

SEPTEMBER 14 2011
Date Surveyed
Signature: Gary L. Jones
Professional Surveyor 7977

Certificate No. Gary L. Jones 7977
BASIN SURVEYS 25205

SCALE 1" = 3000'

Permit Comments

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: ADAMS STATE COM #004H

API: 30-025-40353

| Created By | Comment | Comment Date |
|------------|---|--------------|
| stathemtd | Well located outside the LMR & outside the buffer. There are no potash leases in the area. | 11/7/2011 |
| stathemtd | BOP diagram sent to D. Mull via email. | 11/7/2011 |
| stathemtd | C144 CLEZ sent to D. Mull via email. | 11/7/2011 |
| stathemtd | Prelim directional survey sent to D. Mull via email. | 11/7/2011 |
| pkautz | Land s/S | 11/8/2011 |
| pkautz | POTASH AREA - OCD per R-111-p required to obtain verification from BLM & SLO that wells are not in LMR & Buffer zone. | 11/8/2011 |
| pkautz | Letters sent to BLM & SLO on 11/08/2011 | 11/8/2011 |
| DMULL | OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-03970. | 12/7/2011 |
| DMULL | Response letters from BLM & SLO have been received. BLM & SLO state No to LMR & Buffer Zone. | 12/7/2011 |

Permit Conditions of Approval

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: ADAMS STATE COM #004H

API: 30-025-40353

| OCD 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 |