New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



March 6, 2012

Cimarex Energy Co of Colorado C/o Kay C. Havenor, Ph.D 904 Moore Ave Roswell, NM 88201-1144

Re: Division Order No. R-13494, Case No. 14752 Disposal Interval

Secrest et al Well No. 1 (API 30-015-22321) 660 FNL, 1980 FEL, Unit letter B, Sec 7, T19S, R26E, NMPM, Eddy County Disposal into the Canyon formation, Approximate Depths: 7780 to 8010 feet

You have submitted a request on behalf of Cimarex Energy Co of Colorado, for permission to extend the disposal interval in this well from 8010 feet to 8038 feet.

This well was re-entered to be used for disposal after the permit was issued and the permitted disposal depths were noticed and permitted as "approximate" because of this. The addition of 28 additional feet of allowed perforations on the bottom of the already permitted interval will provide direct access to the extent of an apparent Canyon formation porosity interval and may increase disposal rates and reduce surface pump pressure.

This request will not harm correlative rights or cause waste and is approved. Cimarex is granted permission to dispose of oil field waste waters into depths between 7780 to 8038 feet.

All other requirements of the above referenced disposal Order and requirements in Division Rules regarding disposal remain in full force and effect.

JAMTBAILEY

Director

JB/wvjj

Cc: Oil Conservation Division – Artesia File: Case No. 14752 and API: 30-015-22321







Office: 575-626-4518 e-mail: KHavenor@GeoResources.com 904 Moore Ave Roswell, New Mexico 88201-1144

February 28, 2012

New Mexico OCD Engineering Bureau Attn: Mr. William Jones 1220 So. St. Francis Drive Santa Fe, NM 87505

Re: Cimarex Secrest et al #1 SWD Order No. R-13494, API 30-015-22321 660 FNL & 1980 FEL Sec. 7, T19S-R26E Eddy Co. NM

Dear Mr. Jones:

Cimarex has completed the reentry of the subject well that is permitted for perforations from 7,780' to 8,010'. The clean-out was to a depth of 8,470' where they set and cemented 5-1/2" casing. The Canyon formation's lowest permitted perforation is at the top of additional Canyon porosity zone that extends to a depth of 8,038'. The lowest currently permitted perforations (8,010'), when treated with acid, will undoubtedly be in communication with the additional 28' of underlying porosity. The lower zone is also Canyon formation. There is a good shale zone below 8, 038' that will isolate additional Canyon formation beneath.

Cimarex respectfully requests the permitted depth of disposal be amended for an additional 28' to 8,038'. The underlying interval being requested is also completely within the Canyon and has no indications of hydrocarbon potential. While the additional 28' will accept water disposal, it is Cimarex's primary concern that they be permitted for what will most certainly occur on its own.

The re-entry is completed and ready for perforation. Cimarex respectfully requests consideration at the earliest possible time.

Respectfully submitted,

KAY HAVENOT

Kay Havenor Consultant on behalf of Cimarex Energy Company of Colorado