<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

State of New Mexico

Form C-101 Permit 57935

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

re i maini i o bienbb, i m milit, bim mi,	The obliter, offither in here		
1. Operator Name and Address	2. OGRID Number		
CIMAREX ENERGY CO.			
	3. API Number		
101311, OK 74103	30-025-38488		
5. Property Name	6. Well No.		
SHERMAN 13 FEE 003			
	Operator Name and Address CIMAREX ENERGY CO. SEAST 5TH STREET TULSA, OK 74103 S. Property Name		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	13	15S	37E	Α	430	N	430	E	LEA

8. Pool Information

DENTON:WOLFCAMP	17290

Additional Well Information

	93	I I I I I I I I I I I I I I I I I I I	141011	(1)6	
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3776	
14. Mõultiple N	15. Proposed Depth	16. Formation Wolfcamp	17. Contractor	18. Spud Date 8/25/2007	
Depth to Ground 48	water	Distance from nearest fresh water v	vell .	Distance to nearest surface water	
it: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume: bbls	Drilling Method: Fresh Water Brine 1	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	600	510	0
Int1	12.25	8.625	32	4525	1402	0
Prod	7.875	5.5	17	9825	530	4550
Liner1	475	2.875	6.5	11192	n	

Casing/Cement Program: Additional Comments

PEAK Completions Systems iso-packer, iso-port system will be used and will not require cementing. KOP for the lateral will be 9203.' Projected TD at BHL is MD 11192' and TVD 9394.'

Proposed Blowout Prevention Program

Troposed Biomode Trevention Tropage								
Туре	Working Pressure	Test Pressure	Manufacturer					
DoubleRam	5000	5000	Cameran					

I hereby certify that the information g of my knowledge and belief. I further certify that the drilling p	iven above is true and complete to the best it will be constructed according to	OIL CONSER	VATION DIVISION
IMOCD guidelines , a general p ICD-approved plan .	ermit , or an (attached) alternative	Approved By: Paul Kautz	
Printed Name: Electronically f	led by Sharon LaValley	Title: Geologist	895
Γitle: Manager		Approved Date: 8/9/2007	Expiration Date: 8/9/2008
Email Address: slavalley@cim	arex.com		
Date: 8/8/2007	Phone: 918-295-1673	Conditions of Approval Atta	ached

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

<u>District III</u>

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 57935

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

87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-38488	2. Pool Code 17290	3. Pool Name DENTON; WOLFCAMP
4. Property Code 36656	5. Property N SHERMAN 1	
7. OGRID №. 215099	8. Operator N CIMAREX ENE	

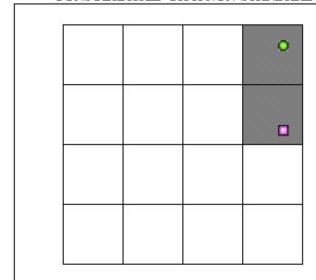
10. Surface Location

ò	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	A	13	15S	37E		430	N	430	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	13	15S	37E	H	2310	N	430	E	LEA
100000000000000000000000000000000000000	cated Acres	13. 3	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: Sharon LaValley

Title: Manager Date: 8/8/2007

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: 7/25/2007 Certificate Number: 7977

Permit Comments

Operator: CIMAREX ENERGY CO. , 215099 Well: SHERMAN 13 FEE #003

API: 30-025-38488

Created By	Comment	Comment Date
ZFARRIS1	Preliminary directional survey and C-102 will be emailed to Donna Mull.	8/7/2007
ZFARRIS1	C-144 will be submitted to Donna Mull.	8/7/2007
ZFARRIS1	Cimarex Energy Co. does not anticipate that there will be enough H2S from the surface to the Wolfcmp formation to meet the OCD's minimum requirements for the submission of a contingency plan for this test.	8/7/2007
ZFARRIS1	The Sherman 13 Fee No. 3 will be a horizontal Wolfcamp test with a SHL in Unit A and a BHL in Unit H. Therefore, it will have a stand-up 80 acre spacing unit (E2NE4).	8/7/2007
DMULL	C-144 Pit Registration received.	8/9/2007

Permit Conditions of Approval Operator: CIMAREX ENERGY CO., 215099 Well: SHERMAN 13 FEE #003

API: 30-025-38488

OCD Reviewer	Condition
IDKAUTZ	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